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National Retail Credit Association

375 Jackson Avenue

Saint Louis 5, Missouri

(SEE PAGES 14-19.)

June 1951

The Credit World

Only Publication Serving the Entire Field of Retail Credit



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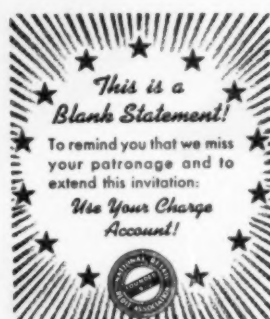
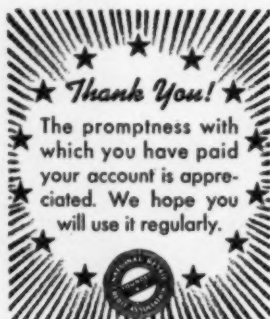
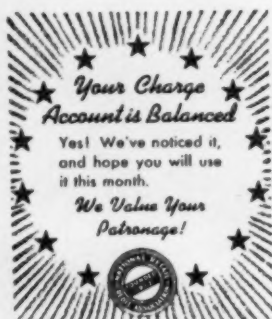
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NATIONAL RETAIL CREDIT ASSOCIATION

375 JACKSON AVENUE

ST. LOUIS 5, MO.

The CREDIT WORLD

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Development and Technique of Consumer Credit

MAX MEYER, General Manager, Credit Bureau of Lincoln, Lincoln, Nebraska

CREDIT has been described as the most fragile thing in the world, yet carrying the heaviest load. More than any other form of credit, consumer credit is based on man's confidence in man. The word credit comes from the Latin *credere*, to believe. Glancing backward, the records show that nations engaged extensively in trade and commerce have prospered and endured for the longest periods. Hand in hand with trade, at least for many centuries past, has gone credit. An early record of a credit transaction was recorded in stone during the reign of Hippocrates, 4,000 B.C. But the Bible has some references which seem pertinent nowadays. In the Psalms we read "The wicked borroweth and payeth not again," and "A good man showeth favor and lendeth." Proverbs has these admonitions: "The borrower is servant to the lender" and "Be not one of them that are sureties for debts." The Scriptures contain frequent mention of loans, mortgages and leases.

Much of early credit transactions centered around banking. In ancient Greece, the ruler was the country's religious head, and the banks were in Temples. In Babylon, 6,000 B.C., Egibi & Sons transacted a banking business charging 10 to 30 per cent interest. Banking and credit were extensively used by the Romans with the Emperor as directing head of the public treasury and with banks located in many colonies. When the Romans prohibited the charging of interest, the so-called poverty banks, operating during the Dark Ages in violation of law, afforded the only means of borrowing money. In the eighth century the poverty banks were taken over by fraternities of monks, which were in turn superseded by the Lombard goldsmiths and money changers. Because of the difficulties of transportation and travel, merchants found it necessary to leave sums of money on deposit with the goldsmiths. As the money was usually not demanded for a considerable period of time, the thrifty goldsmiths loaned it out at interest, assuming of course the risk of repayment.

With better banking came better money. The Bank of Barcelona, Spain, established in 1401, coined the *real de plate* which was lawful money in the United States up to 1853. It was valued eight to the dollar and known as a "bit." In 1680 a bank was established in South Carolina, and in 1685 a bank in Boston was chartered with authority to issue currency.

Credit came before money. The invention of money came when trading goods for goods became too involved. Primitive peoples preferred barter to money. But as commerce expanded it was found that the supply of money was insufficient and that its transfer from place to place was difficult and dangerous due to the numerous robber bands which infested trade routes. Bills and notes, promises to pay, were used in place of money and were incorporated into our modern banking system.

To transact business better over a wider area, merchants formed trade organizations. These trade groups were successors to the guilds composed of skilled artisans who had so much to do in the reconstruction of Europe. Through association and organized cooperation, businessmen were enabled to learn improved techniques and to hear of opportunities for service in new territories.

The modern trade organization includes among its objectives:

1. Elevation of the standing of the craft.
2. Increase in efficiency of its members.
3. Inspiration to higher ethical standards.
4. Stressing of the obligation of complete service.
5. Cooperation for the benefit of both the public and individual members of the Craft.

Many trade organizations have been operating successfully for hundreds of years. The first known group connected with consumer credit was the Master Tailors of the City of London and Westminster and the Borough of Southwark. Meeting in the British Coffee House, Cockspur Street, Charing Cross, London, this group formed in 1801 the "Society of Merchant Tailors for the Protection of Their Trade and Property."

From this organization the Mutual Communication Society of London was formed in 1803. Both the Master Tailors and the Mutual Communication Society were governed by the ruling of the Right Honorable Lord Ellenbrough, Attorney General, who prescribed the following:

1. Names which are inserted in the books of the Society for its information shall not be divulged beyond its own members.
2. That every member shall be perfectly free and unrestrained in his engagement, and left to the full use of his own discretion and pleasure as to the giving and refusing of credit to any individual.
3. No member shall give any improper or wrong information so as to manifest any malicious or slanderous intent; or be any party to combine against allowing credit to any specified person, for such member will be amenable, and subject to the full penalties of the law.

Regulations of Mutual Trade Society

These laws and regulations, adopted in 1801, still remain as the essence of every Mutual Trade Society in Great Britain. They are the basis of every successful credit-reporting activity in the United States. Some of the firms whose representatives were present at the first meeting of the Mutual Communication Society 147 years ago are still active supporters of the Society. During World War II the Society's offices were twice damaged by enemy action, but many of the records, including the first minute book, were saved. Meetings of the Society, except for a time in World War II, have continued uninterruptedly each Tuesday night.

The first retail credit bureau in the United States was established in 1869 in Brooklyn by Herman T. and Conrad E. Sels. This bureau is still operating in New York City under the name Retailers Commercial Agency.

In 1841, Lewis Tappan founded Lewis Tappan and Company, reporting on the standing of American business houses. Later the name was changed to R. G. Dun & Company. In 1849, J. M. Bradstreet established the Bradstreet Company, which published in 1857 a book of ratings on American firms. R. G. Dun and Company first published a rating book in 1859. The two wholesale reporting agencies were merged in 1933 to become Dun & Bradstreet, Inc.

The National Association of Retail Credit Reporting Agencies, now the Associated Credit Bureaus of America, Inc., was formed in 1906. The National Retail Credit Association came into being in 1912, and the most significant development in credit circles in recent years, the founding of the Credit Women's Breakfast Clubs of North America, occurred in Portland, Oregon in 1930. The Lincoln Retail Credit Association has been meeting each week, with the exception of one or two brief periods, since 1916.

Organization has been explained as "the systematic union of individuals in a body whose members work together for a common end." In working together "for a common end," credit organizations strive to inspire high ethical standards, to increase efficiency through the exchange of ideas and methods, and to stress the obligation of complete service. Through the years, credit associations have accomplished much in the attainment of these ideals, with the result that the consumer has been benefited and business has been conducted profitably and safely.

Advantages of Prompt Paying Record

Much of the effort of credit associations and credit bureaus has been in educating the consumer as to the advantages of a prompt paying record. Newspaper display and billboard display advertising, articles in magazines and trade papers, radio, and motion pictures have all been used to establish the benefits accruing to the consumer who pays his bills as agreed. Credit associations, local and national, have promoted legislation favorable to the safe transaction of business while opposing measures which would be inimical to business generally. For instance, largely through the sponsorship of the Lincoln and Omaha Retail Credit Associations, our present Nebraska law permitting garnishment of 10 per cent of a worker's wages was passed, the present bad check law was made into a statute, and the law passed making the income of a married woman liable for family necessities when a judgment has been secured against the husband, and returned unsatisfied. Largely through the efforts of the Omaha and Lincoln wholesale credit associations the present law requiring Nebraska banks to clear checks at par was put on the books. Credit Associations are constantly promoting improvements in the technique of credit granting and credit reporting.

There is no better example of unselfish cooperation in business than the operation of a Credit Bureau. Each member contributes information regularly for the bureau's files, centralizing the credit facts of the community, providing confidential data for all members, permitting the safe extension of credit to deserving individuals while protecting members from the activities of those who have maintained unsatisfactory credit records.

Dr. Clyde William Phelps in his book *Retail Credit Management* says, "The most striking characteristic of Credit Bureaus, and their greatest value to society, is in

the spirit of conscious cooperation which they embody. Credit bureaus are virtually controlled by their subscribers. Between credit granters and credit bureau managers there is a definite feeling of mutual enterprise, looking toward the establishment and maintenance of a sound credit structure."

Publication of credit information by the bureau is held in several court decisions to be qualifiedly privileged; that is, the Bureau cannot be held liable for dissemination of credit information unless malice or want of care is shown. Of course, the information must be furnished only to those who have an interest in the credit standing of the person reported on.

Here, briefly, is how the Lincoln Credit Bureau operates. A master credit envelope is made for each individual and firm. On the envelope are recorded changes of occupation and address and ratings. Business and professional men rate each year their credit customers in a key showing the length of time the account has been on the books, 30 days, 60 days, 90 days, or longer. Each subscriber is given a code number, and the code number is used in posting the ratings on the individual master files. Inside the envelope is placed information obtained by the bureau's reporters, together with data secured from public records, chattel, mechanic, and artisan liens, suits, judgments, marriages, divorces, births, deaths, articles of incorporation, and newspaper clippings containing material pertinent to credit reporting. The Lincoln bureau exchanges information with the 2,205 members of the Associated Credit Bureaus of America, whose files contain information on 80 million individuals.

When a special report is desired, trained reporters bring up to date the master file information, check employment, and compile trade experiences to learn of the individual's present commitments and habits of pay, after which the data are transmitted by telephone, Tel-Autograph, or in writing. Special forms are used in making F. H. A., G. I., Oil Company and Personnel Reports.

The best-known activity of the Lincoln bureau is the *Blue Book*, a credit guide published annually. The *Blue Book* is compiled each year from the ratings furnished by subscribers who rate credit customers according to their pay habits for the previous year. No

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rating is carried in the *Blue Book* for more than two years, and 95 per cent of the ratings appear for one year only. The 1950 *Blue Book*, the 61st annual edition, covers Lancaster County and contains 48,000 names, with an average of 6 ratings per name.

The three C's of Credit, Character, Capacity and Capital are the essentials of credit extension. Of the three, character is by far the most important. Character to a large extent determines a man's capacity. And if a man has no character, his property statement showing capital would be difficult to evaluate. Character builds reputation, and no small part of a man's reputation in the community comes from his record of meeting obligations.

Credit Business is Important

Credit business is important. In 1949, according to the annual Retail Credit Survey of the Federal Reserve Board, all retail credit transactions increased one billion dollars to 39.8 billion, while total sales declined nearly two billion dollars. Retailers sold about eight per cent more goods in 1950 than in 1949 and most of the increase was in durable goods lines. After June 30, 1949, when Regulation W was withdrawn, installment sales grew rapidly. Re-issuance of Regulation W on September 18, 1950, with teeth added October 16, has curtailed installment credit sales. In 1949 the period of repayment on charge accounts was 74 days while the period for installment liquidation ranged from six months on women's apparel to 17 months for autos.

A recent sales survey shows that the country's 100 largest retail concerns operating more than 29,000 stores, do approximately 15 per cent of the nation's total retail business. 85 per cent is done by 1,700,000 smaller stores. Big business in America is truly done by small businesses. Consumer credit operates from the bottom up. The paper or money of the consumer's purchase clears the debts of the producer, wholesaler and marketer contracted prior to the purchase.

Before consumer credit can be safely extended the credit granter must secure answers to the questions: Who is he? Where is he? Can he pay? Will he pay as agreed? Can he be made to pay?

It is pretty generally agreed that the first step in credit extension is the taking of a credit application. The credit interview should be informal with the interviewer jotting down answers obtained in a conversational style of questioning. A complete application will contain data necessary to identify the applicant and to obtain his credit record. When you are dealing with women remember they have a keen sense of humor. The more you humor them the more they like it.

The answer to the question, Who is he? will show Mr., Mrs., or Miss, the last name, first name in full, middle initial, and wife's or husband's first name. Where is he? is indicated by present and previous residence addresses, length of time in each and whether the premises are owned or rented. Can he pay? is a \$64.00 question. Most credit applicants rely on income to pay bills, and it is necessary to learn where they work, what they do, and their approximate earnings.

Thirty-five per cent of open account charges are for convenience only while 65 per cent are used because there is not enough cash available in the family finances. Charging permits expenditures now to be paid in one,

two or three months. The type of occupation has a bearing on pay habits. We all know that workers in some trades are generally under-average credit risks. A bank reference indicates possession of a checking or savings account, or both, and is useful for identification and for check cashing. Personal references are handy if your credit applicant turns out to be a "skip". A sobering thought concerns sales made subject to government tax. The tax must be remitted regardless of whether it is collected.

Will he pay as agreed? The answer to this is found in the history of the applicant's habits of pay. In cities where bureaus function, it is recommended that credit applications be referred to the bureau for a report which will provide facts covering the answers to: Who is he? Where is he? Can he pay? Will he pay as agreed? Where no bureau is established, trade references can be cleared direct, always keeping in mind that the credit applicant is most likely to refer to merchants whom he has paid promptly.

The answer to the fifth question, Can he be made to pay? is based on the applicant's income, his management of his financial affairs and the ownership of property, real or personal, in excess of exemptions. The files of the Credit Bureau indicate real estate holdings, investments or other assets available for creditors. Credit reports show mortgages and chattel liens filed, judgments secured, and actions in bankruptcy, all having a bearing on the question, "Can he be made to pay?" Of course, if it appears at the start that legal action may be necessary to enforce payment, the account had better be tactfully declined.

In no other part of the world has consumer credit been so widespread as in the United States. Houses, furniture, jewelry, electrical appliances, tools, musical instruments, automobiles, gasoline and oil have been purchased by millions of people on terms of payment adapted to the buyer's financial situation. Displaced persons who probably never gave a thought to owning a home or business in the country from which they came are quick to realize the possibilities of credit.

Self-Help and Individual Enterprise

In a recent issue of the *Christian Science Monitor* appears the following story: "Visits to D.P.'s, a year or more after their arrival here disclose many of them outdoing their Yankee host in pursuing the old New England tradition of self-help and individual enterprise. There is, for instance, the Lithuanian family that came to Boston just a year ago. Already they have made the down payment on their modest home, thanks to stringent savings at low pay jobs and recourse as they expressed it, 'To that wonderful help for the working man—The American Credit System.'" And another: "Besides helping with the family chores, cooking and housecleaning, Mrs. Tapolyi has become initiated into the American custom of 'easy payments' through buying a new sewing machine which she hopes may be the start of a dressmaking business." Surely, it is not difficult to conclude that consumer credit is one of the important foundation stones of our economy. *When extended soundly and wisely and permitted to operate without restraint within the customer's ability to repay, consumer credit is the first step to a more abundant life for the majority of people.* ***

President Wolfinger Visits Nashville

ARTHUR G. TURNER, St. Bernard Coal Co., Nashville, Tennessee

THE NASHVILLE Retail Credit Association, Nashville, Tenn., held its regular monthly meeting, April 6, 1951, with Clarence E. Wolfinger, President, National Retail Credit Association, as guest speaker. A crowd of 230 gathered at the Commodore Room of the Andrew Jackson Hotel for a reception in his honor which was ably handled by Mrs. Frances Teter, President-elect of the Dixie Council of Credit Women. Afterward the crowd moved into the main dining room where all the tables were decorated with piles of red brick and clinging moss in honor of the N. R. C. A.'s "Buy a Brick" campaign. The speakers' table had miniature wheelbarrows loaded with bricks and a large selection of flowers. The menu consisted of Southern fried chicken dinner and for dessert, "brick" ice cream with the letters N.R.C.A. moulded into it along with "cornerstone" cake.

Out-of-town guests included: L. S. Crowder, General Manager-Treasurer, N. R. C. A.; George P. Johns, Decatur, Ill., President, Associated Credit Bureaus of America; Cammie Lee Hollis, Atlanta, Ga., retiring President, Dixie Council of Credit Women; Mrs. Mary Guyer, Jackson, Tenn., Second Vice President, Dixie Council of Credit Women; Mary Etta Johnson, Winston-Salem, N. C., Recording Secretary, Dixie Council of Credit Women; and Mrs. Gradye McDowell, Manager, Credit Bureau of Putnam County, Cookeville, Tenn.

At this meeting, 38 new members were seated directly in front of the speakers' table (shown in the picture on the left below) and presented to President Wolfinger who greeted each one and briefly outlined to them the advantages of being a member of the N. R. C. A. Entertainment Chairman for the evening, Harvey King, presented Vanderbilt University's "Phi Kap Four" quartette, Gail Gupton, comedian-magician, and Ann Gilbert, singer from Memphis, Tenn. Program Chairman of the month, J. E. Wells, introduced Hugh Reagan, Past President, N. R. C. A., who then introduced Mr. Wolfinger.

Before adjournment, local association President, Arthur G. Turner and Mrs. Bessie Joslin, President, Credit Women's Breakfast Club of Nashville, slipped out, and donning bricklayers' garb, returned with Mr. Turner

rolling a wheelbarrow of bricks and Mrs. Joslin carrying a trowel with a red brick on it. President Wolfinger was called from the speakers' table and presented a check by Mr. Turner representing the purchase of a brick by each member of the Nashville Retail Credit Association (shown in the picture on the right below) while Mrs. Joslin presented him with a check representing the purchase of one brick by each member of the Nashville Credit Women's Breakfast Club. Bulbs of the photographers flashed as pictures were taken of this scene.

Nashville folks went all out to make President Wolfinger's visit a memorable one. A delegation headed by L. S. Crowder was on hand when his train rolled in. Once he stepped from the train, events began to unfold rapidly. Hon. Thomas L. Cummings, Mayor, greeted Mr. Wolfinger and officially welcomed him to the city. The photographers had no sooner finished taking pictures of this greeting, however, before the happy scene changed to a more dismal one. Chief of Police, Ed Burgess, together with plain clothesmen and uniformed policemen, grabbed the distinguished guest, and before Nashville friends could intervene, Mr. Wolfinger and Mr. Turner were loaded in the "Black Maria." With siren screaming and on two wheels around curves, these two were carried away, not to the "hoosegow," but to the Hermitage Hotel, where Ed Doty, Manager, had arranged an informal get-together for Mr. Wolfinger, L. S. Crowder, Harvey King, and other past presidents of the Nashville Retail Credit Association.

In addition to Mr. Doty's party, Harvey King, President, Tennessee Adjustment Co., gave a breakfast at his home in honor of Mr. Wolfinger. The guest of honor was introduced to Tennessee hickory-smoked ham, ham gravy, scrambled eggs, french fried potatoes, hot Southern style biscuits, preserves, etc. Brick decorations were carried out at the breakfast.

This was truly one of the Association's greatest events and Mr. Wolfinger, a great National President, a wonderful person to know and a grand sport, gained the respect of Nashville members, who will never forget his visit to the city. We are looking forward to his invasion of the South again some day.



Buy a Brick, BREAK THE THERMOMETER!

CREDIT WORLD 7
JUNE 1951

Women Were Second

ELIZABETH P. DAWSON, *Personnel Director, Lit Brothers, Philadelphia, Pa.*

THIS SUBJECT in itself has been a real challenge, for we must remember that any discussion of male versus female goes deep into our very natures as human beings and can lead to a discussion which might never end. I am not qualified to speak as an anthropologist nor as a psychologist. I can only talk to you as a woman who has a job.

I would like to ask this question, Were women ever second? Second perhaps in numbers, in business as we know it today. But let us go back a little and see what women have been doing.

1. Women have helped to give life itself which is not a small contribution. Men have had to play their part in it to be sure, but women have been the mainstay in raising and developing the human race. Since the days when men were hunters, warriors, and sailors, maintenance of family life was left to the women.
2. Women have ruled great nations as well as some men. In some instances they ruled better than men.
3. Women have been religious leaders.
4. They have pioneered in many fields.
5. They are highly competitive in sports.
6. Women have been and are successful as scientists, such as Madame Curie, and Lisa Meitner.
7. Women have been and are successful financiers, heads of big business, tops in the fields of manufacturing, designing, banking and retailing.
8. As educators and in the field of human relations women have achieved greatness.
9. In government, in credit, in advertising, medicine and law, women have gone to the top.

But have we actually done all of this alone? I do not think so. We have had the capable assistance of other women, but we have also had the capable and many times generous assistance of the men. We must admit that, and we should admit it graciously.

There are deep fundamental differences in men and women, as we all know, but we go at too fast a pace to often stop long enough, to give it the thought it deserves. Consider our forms of speech alone. A woman may refer to a man and say, "I think he's cute." If a man speaks of another man in that fashion, eyebrows lift.

A child is born, a girl, who begins her life being loved, cared for, played with, and taught that she will grow up

to be like her mother in many ways, perhaps to marry, have a home and children, perhaps first to go out into the world to teach, to go into business, to go further into creative, career work, but whatever she does she is always pretty sure that she is a woman.

Another child is born, a boy, who begins his life being loved, cared for, played with just as his baby sister. Then something changes! and this boy begins to learn that he is a male, something different from his sister. He must not be like his sister, he must be strong, a protector of his sister (women) and he spends his years from then on proving that he is different from women, that he is a man.

It is not pure selfishness or jealousy that awakens in a boy when a girl beats him at games, it is the fact that his maleness is at stake. It is not pure selfishness or jealousy that awakens in a man when a woman achieves a goal that ordinarily is arrived at by a man. It is the male being threatened and remember that that boy, that man, has been reared, taught, trained to be tougher, to be harder, to be gentle with women, yet to be a little leary of the female reaction. Suzy hits Bobby, nothing happens. Suzy hits Bobby again, nothing happens. Bobby hits Suzy, Mother spansks. Whom, Suzy? Oh, no, Mother spansks Bobby. I have seen (and I have done it myself) a woman strike out at a man because she knew he would take it and not strike back, at least not at that moment. Being aware of these things, a man is afraid, whether he knows it or not, of women in competition. It is a challenge to his maleness and it gives him a feeling of unsureness and insecurity. He feels that he must keep on proving that he is a man.

Women Are Changing

Women have been coming out of the kitchen, although I would rather say out of the home, for decades. The first and second world wars gave that egress great momentum, and this has continued to happen faster than man can take it—because of a lack of understanding and because of a difference in conditioning.

Women have brains. All women do not feel the need to have children. Those women who do have children and who have raised their families, are not content to quietly die. The world is going at too fast a speed. There are too many fine, worth-while things to be done.

The spinster as we knew her is gone. No longer is the unmarried girl a problem, a person to be pitied because there was nothing she could do but help her more

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St. Louis 5, Missouri**

fortunate sisters who were married and had families, or to keep house for the remaining members of her family household. In fact in these days many a longing glance is given by the few who remain at home, to sister Suzy, who has a job, takes trips on her summer vacation, and sees all the good plays. Now that so many women have emerged into so many activities and have done right well by themselves, let us take a look at what has happened to the men.

Men have brains. Men have been conditioned to marry, to raise and support families, to educate their children, to have their place as:

1. The father.
2. The husband.
3. The support of the family.
4. The successful businessman, well thought of in his business circle.
5. The man at war, the man in government.
6. The after-dinner speaker.
7. The sportsman.
8. The giver.

And men have been conditioned to think of women as:

1. Rather wonderful creatures.
2. Ready to receive that which man has to give.
3. Gentle and submissive.
4. Sensitive.
5. As his mother and his sister.
6. As a person to be protected.
7. Untutored in business affairs.

His training has been that he should be leaned on, consulted and that many decisions should be his. Into this conditioning breaks the army of women workers. Something has to happen! Men just cannot accept it. They are bound to put up some barriers and it is our job (we are the newcomers) to try to understand the underlying cause and to try to make ourselves, as women, acceptable and wanted as business partners.

Women Are a Part of Business

I have met with some success in asking businessmen what it is that seemingly keeps women from being wholeheartedly made a part of the business world. We cannot expect them to give us the basic reason (that men are men) but here are some of the others, and please remember that I, too, am a woman:

1. Men feel that women demand obeisance, that they demand in business what would be accorded to them in a social life and sometimes a great deal more than they would actually get in a social life.
2. They say women are overly sensitive in business and I have seen a woman in tears, after apparently coming out second best in a labor conference, and heard her say through her tears "the brutes." You see men would like to be able to forget their early conditioning as to how women should be treated, they would like to be able to treat women as men but they cannot as they have been taught differently and this of course results in deep conflict.
3. Then it is pretty difficult for men to face the fact that some jobs are better handled by women.
4. Manufacturers tell me that women will reach a given level of earnings and be satisfied, where a man would reach out further. Women think more of security.

5. Manufacturers say that women will not leave familiar environments as readily as men, women are more deeply rooted.
6. Men say that it is difficult for women to be impersonal without being hard.

We must learn that men and women are after all people and they are what they are because society demands it of them. Women can be whatever they want to be if they are willing to take the disappointments, the hardships, the frustrations of changing their status in life. Women have reached the heights because of so many reasons, because they have wanted careers, because they have talents, because they have been forced to work for their living. Many men tell me that there is no position that women cannot fill. We are an industrial country and we need more workers.

Women are needed because of their instinctive humanness, because of their patience, because they can supply something that men do not have, and it seems to me that the new song from "Call Me Madam" which goes something like this "If you have something to do today, and two can do it together", says just what I would like to say. Men and women each have a great deal to give. They can complement each other. It is not the man's world it used to be but do we, as women, ever want it to become strictly a woman's world?

We need each other, and it is up to us, as women, to develop the understanding, and to help men develop the understanding, that will make a whole out of two important parts so that each may go as far as he or she would like to go. ★★★

You and Owe



You may risk greater loss through interruption of business for which you extend credit than may result from destruction of physical properties alone. We'll explain the how and why of U. and O. (Use and Occupancy) insurance if you'll mail us this advertisement clipped to your letterhead.

THE PHOENIX-CONNECTICUT GROUP OF FIRE INSURANCE COMPANIES HARTFORD, CONNECTICUT

Combined Statement December 31, 1950

Assets	\$141,920,367
Liabilities	70,808,153
Surplus as regards policyholders	71,471,872
Losses paid to December 31, 1950	483,685,642

Memo to Merchants

N. A. LUFBURROW, Baltimore, Maryland

FOR YEARS I had wondered if it could really be my own fault. Time after time, standing before counters in retail stores, with intent to buy, I had watched other people arrive after me and receive attention ahead of me. A salesperson would finish with a customer, and without even glancing around, direct an automatic "Can I help you?" to someone who had just stepped up, or anyone near at hand, without making any effort whatever to take folks in order of arrival. Eventually, of course, if I had time to stick it out, I would receive my "Have you been waited on?" (as though there could be any doubt about it), make my purchase and move along.

True, it was not always like that. There were many instances of quick and gracious service. But the percentage of bad experience seemed much too high. Once, in a well known department store, when a lady who had just joined the "waiting" group, upon being offered service, pointed my way and remarked, "This gentleman was ahead of me", it nearly floored me. I thanked her for being so thoughtful, and never forgot the incident.

If One is in a Hurry

So it is that I have often had time to contemplate, while "waiting" beyond my turn, in stores large and small. Yes, I might have demanded attention. But having my own private opinion of people who are always ready to raise a rumpus over small matters, I have chosen to say nothing, and simply to amuse myself with "seeing how far the thing will really go." It can be aggravating, however, if one is in a hurry.

The truth is, I had about decided secretly that there must be some psychological explanation, and wondered what peculiar personality expression could cause one to be so often overlooked by so many different people. I had even become resigned to the notion that I was destined often to stand "waiting", with others coming and going, until it should finally dawn upon somebody behind the counter that I was not after all a part of the scenery, but a potential customer.

Mentioning my amusing plight to others, from time to time, I discovered that many folks, having similar experiences, have come to similar conclusions. Not everybody, of course, for there are those who just do not "wait", who simply inject their aggressive personalities into any situation, elbow others aside, either literally or figuratively, and speak out with a self-centered "Will you please wait on ME?", thereupon receiving unmerited attention, and thus the "blessing" of the management, by way of their representatives, the particular salespersons involved.

So I began noting differences in techniques, manners and attitudes, as displayed by those "public relations representatives", the salespeople, and formed some opinions based on personal observation and experience. Be it said to the everlasting credit of salespeople in retail stores who radiate good feeling and evidence the desire to help, that it is a real pleasure to deal with them! Far too numerous, however, are those who habitually display characteristics not so appealing, bad attitudes, indifference, even incompetence, the ones it is more pleasant to avoid!

I am not a heavy buyer. My needs and resources are moderate and conservative. But I do have needs and make purchases, and believe myself to be fairly representative of many who buy average quantities of items year in and out; the "backbone," perhaps, of retail business. Surely the merchant has no desire to lose our trade, and in truth, much prefers to make a favorable impression upon us.

There are stores in my community (which happens to be a large city) into which I do not go any more, because of unpleasant or unsatisfactory incidents. It is not that I refuse to go, for I hold no grudges against them, but simply that when I want to buy, I go somewhere else! And I have come across a surprising number of people who are reacting in about the same way.

Is it the merchandise which determines such choices? Occasionally, perhaps, but not often. Almost always it is "personnel". Why is it that so many disinterested and ineffective salespeople are to be noted in retail stores, large and small? Surely not because the merchants want it that way, as it does them no good and affects business adversely. There would seem to be one possible answer only, and that relates directly to the problem of personnel selection.

After more than 30 years of day-by-day experience in vocational counseling and placement work, dealing with people of all types and backgrounds who are candidates for jobs, I am convinced that this particular selection problem could very easily be solved. Any employer who is willing to give the problem a reasonable amount of attention, can develop effective methods of selecting candidates for sales jobs who are anxious to make and capable of making so good an impression upon most customers as to attract business rather than drive it away.

In counseling with thousands of people about vocations and jobs, I frequently have occasion to make my own analysis of occupations under consideration, and it is not difficult to do so with regard to store selling. Certain qualifications, it would seem, are so basic that without them one could scarcely be expected to hold the job at all:

1. Working knowledge of items to be sold.
2. Reasonable business sense.
3. Ability to keep the simple records required.
4. Integrity, loyalty, etc.

Qualities for Doing a Good Job

Then there are the other qualities, attitudes, characteristics, aptitudes, skills, and practices, which represent the difference between doing a good job and a poor one. Some of these are:

1. Interest in the work.
2. Good will toward people.
3. A reasonable amount of patience.
4. A genuine desire to be helpful.
5. A pleasing manner.
6. Some ability to adapt "sales approach" to customer.
7. Willingness to be "put out" a little, if need be.
8. A sincere desire to win and hold customers' good will.

(Turn to "Memo to Merchants," page 21.)

LOCAL ASSOCIATION *Activities*



District Eleven at Palm Springs

At the 15th annual meeting of District 11 held at Palm Springs, Calif., April 22-24, 1951, the following officers and directors were elected: President, Walter L. Thornburgh, Jackson Furniture Co., Oakland, Calif.; First Vice President, J. A. Koverman, Desmond's, Los Angeles, Calif.; Second Vice President, Charles S. Gallagher, Farmers Union Hardware, San Jose, Calif.; and Secretary-Treasurer, Verta C. Walker, I. Magnin & Co., Oakland, Calif. Directors: George T. Petersen, San Francisco Bank, San Francisco, Calif.; Mrs. Isabelle Hummel, A. F. Affleck's, Sacramento, Calif.; R. D. Roberts, Union Oil Co., Los Angeles, Calif.; Albert J. Wurst, F. C. Nash & Co., Pasadena, Calif.; David K. Blair, H. Liebes & Co., San Francisco, Calif.; Ray Edwards, Smith's, Oakland, Calif.; W. H. Kleese, Columbia, Long Beach, Calif.; Arthur H. Peart, Malcom Brock Co., Bakersfield, Calif.; Joseph J. Ryan, Walker's, San Diego, Calif.; and Mrs. Lucille Drew, Harris & Frank, Long Beach, Calif.

Regina, Saskatchewan, Canada

At the annual meeting of the Credit Granters' Association of Regina, Regina, Saskatchewan, Canada, the following officers and directors were elected: President, W. E. Owen, T. Eaton Co. Saskatchewan Ltd.; Vice President, O. L. Bicknell, Saskatchewan Motor Co. Ltd.; and Secretary-Treasurer, H. F. Eberts, The Credit Bureau of Regina. Directors: W. D. Ferguson, Child and Gower Piano Co. Ltd.; C. H. Munro, The Canadian Bank of Commerce; A. S. Wrye, The British American Oil Co. Ltd.; W. J. Plant, Imperial Oil Ltd.; and M. J. McPhee, General Motors Acceptance Corp.

Victoria, British Columbia, Canada

The 1951-1952 officers and directors of the Credit Granters' Association of Victoria, Victoria, British Columbia, Canada, are: President, W. Macintosh, Farwest Motors Ltd.; Vice President, J. Wood, Super Service Ltd.; and Secretary, W. G. Ellis, Credit Bureau of Victoria. Directors: P. Noel, Page the Cleaner; Leo Evenden, Hudson's Bay Co.; Audrey Harness, Little & Taylor; J. McCrae, Olson Motors Ltd.; H. B. Hebden, Diggon-Hibben Ltd.; and L. Whellams, Standard Furniture Co.

Boston, Massachusetts

The following officers and directors were elected at the annual meeting of the Retail Credit Association of Boston, Boston, Mass.: President, James A. Mawn, Gulf Oil Corp.; First Vice President, Frances Hernan, Massachusetts General Hospital; Second Vice President, Frank L. Mullett, Boston Edison Co.; Secretary, William J. Starr, Credit Bureau of Greater Boston; and Treasurer, Rowe A. Gladwin, Retired. Directors: William J. Kirby, Gilchrist Co.; Bernard Eyges, Louis, Inc.; and Alexander Harding, John H. Pray & Sons Co.

Olympia, Washington

At the annual meeting of the Retail Credit Association of Olympia, Olympia, Wash., the following officers and directors were elected: President, Ronald Durst, Graystone Materials; Vice President, Philip Wack, Miller's Department Store; Treasurer, Harriet Henderson, National Bank of Commerce; and Secretary, C. R. Smith, Olympia Credit Bureau. Directors: Hunter Dickison, Dickison Fuel Co.; Katherine Taylor, Capitol Savings & Loan Assn.; and C. Theodore Caesar, Puget Sound Power & Light Co.

Portland, Oregon

At the election of officers and directors of the Retail Credit Association of Portland, Oregon, the following were named: President, Hugh M. Tallent, Chas. F. Berg, Inc.; Vice President, Douglas R. Gerow, United Finance Co.; and Secretary-Treasurer, Manager, J. D. Mac Ewan. Directors: Chalmer Blair, Braley and Graham; William P. Choate, United States National Bank; Walter Dennis, Jr., Liberty Fuel & Ice Co.; Dale D. Dorothy, Standard Oil Co.; J. H. Fisher, Meier & Frank Co.; Don Graham, Copeland Yards; Fred Hesse, Lipman, Wolfe & Co.; Fred C. Hopkins, Portland General Electric; Mason M. Jones, Bank of California; Carl A. Kilgas, General Petroleum Corp.; Arthur W. Lynn, First National Bank; Claude R. Martin, J. K. Gill Co.; and Louis E. Parker, Olds & King.

Honolulu, Hawaii

At the annual meeting of the Honolulu Retail Credit Managers' Association, Honolulu, Hawaii, the following officers and directors were elected: President, Robert S. Milne, Melim Service & Supply Co.; Vice President, Robert W. Chatterton, Bishop National Bank; and Secretary-Treasurer, Alvin A. Smith, Credit Bureau of Hawaii. Directors: J. K. Tom, Honolulu Finance & Thrift Co. Ltd.; A. B. Renner, Sears, Roebuck & Co.; Helen Bush, Optical Dispensers of Hawaii; Lillian Mackale, McNerny, Ltd.; Charles Wade, W. A. Ramsay, Ltd.; A. O. Clissold, Motor Supply Co., Ltd.; and Murrell Peterson, Watkins Printery, Ltd.

Wichita, Kansas

The Wichita Retail Credit Association, Wichita, Kansas, has elected the following officers and directors for the coming year: President, W. N. Gomon, Howse Company; First Vice President, Fred Dunkin, Hill Electric Co.; Second Vice President, Curtis Good, First National Bank; and Secretary-Treasurer, Fay Sullivan, Price Auto Service. Directors: Mrs. Bernice Sharples, Buck's, Inc.; Royce Sehnert, The *Wichita Eagle*; A. M. Buzzi, Allen W. Hinkel Co.; F. Tony Eisenbach, Dockum Drug Co.; Melvin Clark, Geo. Innis Co.; Jay Callaway, Woolf Brothers; Wayne Pendergast, Muellers Flowers; and Dr. G. E. Tilton.

CREDIT FLASHES

Positions Wanted

Credit Manager, presently employed, 20 years' experience in retail, wholesale, credits and collections, office procedures, cycle billing and systems. Excellent administrator of credit policies at top level. Box 6511, The CREDIT WORLD.

Credit and collection man, age 31, heavy experience in retail installment field, desires position in Los Angeles or will relocate elsewhere. Box 6513, The CREDIT WORLD.

Credit Manager, 47, married, familiar with all phases of credit and collection work. Five years' experience large volume furniture and jewelry stores. Wishes connection with medium or large volume store, preferably St. Louis. Available immediately. Box 6514, The CREDIT WORLD.

Equipment Wanted

Used Cyclicmatic, Craig, or similar cycle billing file equipment to accommodate 5,000 accounts. Delivery not later than August 1, 1951. Box 6512, The CREDIT WORLD.

Correction

In our story on page 21 of the May, 1951, CREDIT WORLD, about Howard W. Leonard's retirement we said, "He had been associated with the store for 27 years and had pioneered in charge account solicitation." We should have said that he had been with the store for 57 years and was credit manager for the past 27 years.

Credit School at Billings, Montana

The Retail Credit Association of Billings, Billings, Montana, sponsored a credit school in their city which ran for a period of eight weeks. A local Business College co-sponsored the school and the classes were held at the college building. K. J. Dugan, Manager, Credit Bureau of Billings, and N. W. McGinty were the instructors.

BINDERS

for The Credit World

PAMPHLET type with stiff blue fabricoid covered sides and the words "Credit World" lettered in gold. Holds 12 issues. There is an individual wire for each issue, easily inserted. Every member should have a binder for each volume. Price, \$2.50, postpaid. ❖ ❖ ❖ ❖

Order from

NATIONAL RETAIL CREDIT ASSOCIATION
375 Jackson Ave. St. Louis 5, Missouri

Over 100 enrolled, including credit personnel, clerks, sales managers, store owners, and students. Twelve of those attending were from small towns near Billings. The course was based on Dr. Clyde W. Phelps text and reference book, *Retail Credit Fundamentals*. The school was very beneficial to those who attended, to the community in general, and to the Credit Bureau and Collection Agency in particular from a good will standpoint as well as the education of users of credit.

Coming District Meetings

District Five (Ohio, Michigan, Ontario, Canada, and Kentucky) and **District Thirteen** (Illinois, Indiana, and Wisconsin, except Superior) will hold a joint annual meeting in conjunction with the 37th Annual International Consumer Credit Conference of the N. R. C. A. at the Stevens Hotel, Chicago, Illinois, June 25, 26, 27 and 28, 1951.

Emmett Barbee

Emmett Barbee, Manager, Oklahoma City Retailers Association, Oklahoma City, Oklahoma, the man who loved to fool people with his sleight-of-hand, died recently at his home, just a few hours after giving one of his magic shows. He had served as president of Ring 46, International Brotherhood of Magicians and gave 155 shows to the armed services during World War II in 23 camps in nine states, on his own time and at his own expense. He was a member of the Oklahoma Club, Kiwanis, Men's Dinner Club, Credit Men's Dinner Club, director for Chamber of Commerce and Better Business Bureau, American Legion, Mason, and mayor of Silver Lake. He had long been active in state, district and national retail credit circles. To Mr. Barbee's wife, mother, sister, and brother, the N. R. C. A. extends its deepest sympathy.

George L. Hersey

George L. Hersey, former Executive Secretary, Portland Credit Men's Association, Portland, Maine, died recently at the age of 69. He was born in Charlton, Mass., and moved to Watford, Maine, as a young boy. For 27 years he was associated with the Portland Gas Light Co., and during the latter part of his service he acted as credit manager of the firm. He became Executive Secretary of the Association in 1929 and retired in September, 1946, due to a heart condition. During these years he was elected many times as a director of the New England Credit Bureaus and also served as President of that organization. An ordained elder, he was long active in the affairs of the First Congregational Church in South Portland. Surviving are his widow, two sons, four grandchildren, a brother, sister, and several nieces and nephews. George, as he was known to his many friends and associates, will be greatly missed by those who had the pleasure to know him.

John T. Cambia

John T. Cambia, Credit Manager, The Shepard Co., Providence, Rhode Island, for 34 years, died at his home, April 15, 1951, after a long illness. He was born in Johnston and served in World War I overseas with the 301st Engineers. He was a past president of the Retail Credit Granters of Rhode Island and had been a member of its board of directors since 1934 and was also a past president of the New England Credit Granters and a member of its board of directors for several terms. He was a former director of the N. R. C. A., and a member of the Quarter Century Club. Besides his widow, he leaves a son, and four sisters to whom we extend our greatest sympathy.

Harry G. Timmer

Harry G. Timmer, Credit Manager, Alms & Doepke, Cincinnati, Ohio, for the past 30 years, died March 15, 1951, after a long illness. He had been with Alms & Doepke for 45 years. He leaves his widow, a son, three sisters, a brother and a granddaughter to whom we extend our greatest sympathy.

New Position for A. J. King

A. J. King, for many years, Credit Manager, Scranton Dry Goods Co., Scranton, Pa., has become associated with the Kennard-Pyle Co., Wilmington, Delaware.

Miller and Paine Personnel Changes

Earl Heironymus became associated with Miller & Paine, Lincoln, Nebraska, credit department during his senior year at high school. He continued part time during his study of business administration and upon his graduation from the University of Nebraska in 1949 he became Assistant Credit Manager. At the age of 25, he was named Credit Manager on March 1, 1951. During the 76 years' existence of Miller & Paine, there have been two former Credit Managers, G. O. Smith, from 1902-1927, and J. L. Owens, from 1928-1951. Mr. Smith is now Treasurer and Mr. Owens is General Office Manager and Assistant Secretary and Assistant Treasurer. Mr. Smith became the first president of the Lincoln Retail Credit Association when it was organized in 1916 and Mr. Owens served as president in 1930.

Regulation W Violation

The Board of Governors of the Federal Reserve System released the following press statement on February 23, 1951: "The United States District Court at Pittsburgh, Pennsylvania, has issued an injunction against A. Harris doing business as A. Harris Motor Sales, a dealer in used automobiles in Pittsburgh, enjoining him from further violations of Consumer Credit Regulation W. Regulation W provides that credit for the instalment financing of certain listed articles, including automobiles, shall not be extended without obtaining a down payment in the amount prescribed by the regulation. In the case of automobiles the present terms of the regulation require a down payment of one-third of the cash price of the automobile and the balance must be paid within 15 months. In this case the defendant had violated the regulation by not obtaining required down payments in a number of sales as well as by failing to maintain and make available to Reserve Bank investigators adequate records."

25th success-year with Sears, Roebuck; Jordan Marsh; May Co.; and other top stores, large and small.

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Lester Brozman, America's No. 1 retail credit sales and direct mail authority, will analyze your credit sales promotion program.

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These are the results created by our unusual mds.-fashion approach:
For Ace Akron **NEW CHARGE** A 50% List
Store We Opened **ACCOUNTS** Responsel **50¢** ea.
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WE REVIVE 50% to 70% INACTIVES

3725 (50%) Inactives in famed Texas store
bought within six months, at 1/2 cost **\$241,000**

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160 FIFTH AVENUE, N. Y. C. 10

Kansas City, Kansas

The new officers of the Retail Credit Association, Kansas City, Kansas, are: President, Frank Turner, Home State Bank; Vice Presidents, Herbert Lutz, Perry Pontiac Co.; C. W. Reeder, Reeder's Home Appliance Store; Mrs. Bertha Johnstone, The Leader Clothing Co.; and Secretary, Mrs. Virgil Thompson, Anderson Furniture Co.

New Position for John F. Reichert

John F. Reichert has been named Credit Manager, Grand Leader Department Store, Fort Wayne, Indiana. He succeeds William Weber who resigned. Mr. Reichert was formerly assistant manager, Lyton's, Chicago, Ill.

C. E. Wolfinger Honored by Lit Associates

Clarence E. Wolfinger, President, National Retail Credit Association, and Credit Manager, Lit Brothers, Philadelphia, Pa., was recently honored by his associates at a dinner meeting climaxing a conference on "Short Cuts in the Modern Consumer Credit Collection Office." More than 100 persons heard testimonials given him by a score of his associates and friends. A scroll, expressing appreciation of Mr. Wolfinger both as a "boss" and a credit executive, was read by John Mathers, Lit's Assistant Credit Manager. Individual tributes then followed, testifying to the honor guest's abilities and attainment in the credit world. The tribute was also given an unusual touch by the Lit credit staff. Staged to respond to our "Buy a Brick" campaign, the group had a hod-carrier with a load of bricks burst into the room, demanding to see the honored guest. The load was handed to Mr. Wolfinger along with a check for \$50.00 to pay for 50 bricks. Other checks were also presented as donations by those in attendance, and by The Credit Bureau, Wilmington, Del.

Walla Walla, Washington

The new officers of the Walla Walla Valley Merchants Association, Walla Walla, Wash., are President, A. J. Naimy, Naimy Furniture Co.; Vice President, Melvin Brunton, Gardner & Co.; and Secretary, H. E. McGahey, Credit Bureau of Walla Walla.

Our Dream Comes True

CLARENCE E. WOLFINGER, *Credit Manager, Lit Brothers, Philadelphia, Penna., President, National Retail Credit Association*

WE WOULD LIKE every member of the National Retail Credit Association to visit the new and permanent International Headquarters. For those members presently unable to come to St. Louis, perhaps this article will help to picture the N. R. C. A.'s new home, and cause you to share our pride and deep satisfaction at this outstanding achievement in Association history. Your National Office today has its own building, worthy of its significance in the nation's economy and eloquently expressive of the growing importance of the retail credit granting profession.

This modern and beautiful two-story brick building with about 4,000 square feet working area, at 375 Jackson Avenue in University City, a suburb of St. Louis, is the realization of a dream. It is the material fulfillment of the vision and courage of those who direct the affairs of the National. For many years, General Manager-Treasurer Lindley S. Crowder, and many of the directors have felt that the Association should build or acquire permanent and owned quarters, and thus be freed from the uncertainty of leases and the unpredictability of rentals. Early in 1950, events seemed to point to the fact that the right time had arrived, for consideration of such a momentous move.

Plans and Estimates Prepared

Plans and estimates were accordingly prepared and presented to the Board of Directors at the Cincinnati Conference last June. Earlier, the N. R. C. A. Building Committee, consisting of Charles Reno, Earl E. Paddon, the late David D. Bolen, and Mr. Crowder, had looked at several location possibilities both downtown and in the suburban area. After much careful deliberation, the vacant lot at Jackson and Pershing Avenues was purchased. Estimates of building costs were secured from Arthur A. Arnold, St. Louis contractor of wide experience. At the Directors' meeting, as President, I was privileged to have the opportunity of expressing the unanimous and enthusiastic vote of the Board, which gave Mr. Crowder the necessary approval to proceed with his plans.

It was at that same Board meeting in Cincinnati that the BUY A BRICK campaign was inaugurated, thus permitting the entire membership to have a personal part in the historic project. Elsewhere in this issue will be found details of the progress of that financial effort. Sufficient to say here that this "sharing" is but another evidence of the steel-strong bonds of mutual interest and friendship that unite us. The new office building, in a special and unique sense, is truly YOUR building. May we remind those who have not already done so, and who wish to contribute to the BUY A BRICK fund, that we shall welcome their gifts. The names of all members, associations, and bureaus contributing will be engrossed on a permanent record for our archives.

The location is well-nigh perfect. Away from the congested downtown district, and in a semi-residential neighborhood, the office is near the rapidly growing

shopping area of Clayton, one of St. Louis' most attractive suburban developments. Just a comfortable walk from the building is the Clayton branch of Famous-Barr Company. Other St. Louis department and specialty stores, including Scruggs Vandervoort Barney, Kline's, Lammert Furniture Co., Peck and Peck, Boyd's, Jacob's, have, or soon will have, branches in Clayton.

You will see from the picture of the building on the front cover of this issue that the outside appearance blends with the fine type of homes nearby. Incidentally, the Association's new neighbors are very friendly, and have extended a cordial welcome. The grass is growing nicely from the newly laid sod, and soon the bushes and ivy that have been planted will add additional beauty to the surroundings. It is a dignified structure, combining attractiveness and utility to an unusual degree.

Throughout the construction period Mr. Crowder worked closely with the contractor. Every effort was made to reduce to a bare minimum the future expense of upkeep and maintenance. While this necessarily added somewhat to the original cost, there is no doubt but that considerable operation savings will be effected. All inside walls are panelled with mahogany plywood and the doors are of birch finish to match. About all they will need for many years to come will be an occasional wax protective coating.

Being of brick construction, the outside walls will also require little attention. The sturdy slate roof will endure almost forever. All window frames, storm and screen sash, are of aluminum. Window sills are marble. Two five-ton "All-Weather Servel" gas units, provide constantly controlled even temperature. Ceilings are fire-resistant and soundproof. Modern fluorescent lighting fixtures provide perfect illumination. Floors are covered with asbestos tile; stairs, reception room and Mr. Hert's office with rubber tile. Mr. Crowder's office is carpeted. Modestly colorful window drapes in the three private offices harmonize with the richness of the mahogany veneer panelling.

We Enter the Building

Entering the building through the front center entrance, on either side of the first floor are two spacious offices. One of these will later be furnished as a conference room for the use of committees visiting St. Louis, or perhaps for some other purpose not yet determined. The other office is used by Miss Esther Rohlfing for her addressograph equipment and addressograph plate files. In the rear of the first floor is the ample stockroom. Here are stored the books, supplies, stickers, and other materials for sale to members. The mailing and wrapping section is in the stockroom, and handy to the rear entrance. A blacktop asphalt driveway to the rear entrance, and to the one-car garage, facilitates the movement of incoming and outgoing shipments of supplies. This driveway emerges on University Drive, which runs at a right angle to Jackson Avenue on the south side, thus enabling full utilization of the entire front width of the lot for the building.

On the ground floor are the staff restrooms, and also a pleasant staff lounge. This lounge is equipped with a "Servel" refrigerator, electric plate, and colorful tables and chairs. It offers an agreeable and pleasant room for staff lunches and rest periods.

The private and general offices are on the second floor. They are approached by a wide fifteen-step stairway, protected by an aluminum balustrade. The first view the visitor receives is of the reception room, and the framed photographs of all past presidents, beginning with L. S. Gilfillan, President, 1912-1913. This gallery of portraits is a constant reminder of the distinguished men who have served the Association in years gone by. In themselves, they are part of the history and growth of the National Retail Credit Association.

Arrangement of Offices

The gracious Mrs. Daniel J. Hannefin has her desk between the two front offices, and in addition to her other duties, receives visitors. Mr. Crowder's office occupies the east front and south side of the second floor. Arthur H. Hert, Secretary of the Association and Associate Editor of *THE CREDIT WORLD*, has the other front office on the north and east side. Miss Mary Riordan, Mr. Crowder's secretary, has her office adjacent to his. To the rear of Mr. Hert's office is a room for his secretary and Mr. Berry's. Adjacent to that office is the office used by Leonard Berry, Educational Director. The remainder of the second floor is devoted to the general offices. Here, Miss Gertrude O'Connell, Membership Secretary and Office Manager, and her assistants keep membership records and accomplish all other office procedures, including billing and accounting.

Thursday, April 12, 1951, was an important day in the history of the Association. On that day was held "Open House." While the staff actually moved from the Shell Building on March 9, there were still many finishing touches to be applied. The last painter and carpenter left just the day before "Open House." Everything was ready for the guests.

Over three hundred people accepted the invitation to celebrate the occasion, and to see the building. Twenty-six magnificent floral pieces, sent from near and far, gave the offices a festive air. Every member of the staff, and also Mesdames Crowder, Hert, and Berry were on hand to welcome the visitors and show them around. To my great pleasure it was possible for me to be in St. Louis, and together with First Vice-President Royce Schnert, of *The Wichita Eagle*, Wichita, Kansas, represented the offices of the Association.

We were distinctly honored by the presence of three past presidents, Messrs. Dean Ashby, Hugh L. Reagan, and Earl E. Paddon. These gentlemen added greatly to the affair.

George P. Johns, Decatur, Illinois, and President, Associated Credit Bureaus of America, Inc.; Harold A. Wallace, A. C. B. of A. Executive Vice-President; Carl Roewe; John Spafford; Otto H. Lanfersieck; A. C. B. of A. staff members, and their wives, graced the occasion and were cordially welcomed. Among other Bureau Managers visiting us were Lloyd Dye of Kansas City; A. J. Kruse, of St. Louis; Graydon Boyd of Belleville, Illinois; Harold M. Pea of East St. Louis, Illinois; and Howard F. Otstot of Alton, Illinois. We were especially

gratified to number at least three N. R. C. A. Life Members in the crowd: Messrs. George Neuman, H. R. Zollinger, and C. F. Jackson, the latter Vice-President of the N. R. C. A. in 1916-1917. We would like to be able to list all our visitors, but you will agree that such would be impossible. However, we are grateful to all who showed their interest by attending "Open House."

Heard on every side were complimentary comments about the building, and praise for the farsightedness which brought a dream to complete realization. From the credit executives of St. Louis retail stores, banks, and other firms, who attended in large numbers, we received laudatory remarks concerning the offices. Many of them expressed their pleasure that St. Louis should be the home of the National, and especially now that it is so beautifully and adequately housed.

During the evening, light refreshments, fruit punch, coffee, and hors d'oeuvres were served. Mr. Crowder was observed to be everywhere at once, in his customary energetic manner, as he welcomed the guests, and modestly accepted the flood of congratulations extended to him. The feminine members of the staff outdid themselves in acting as hostesses and guides. They graciously explained the various individual functions and procedures and showed our guests around the building, and did everything possible to make them feel at home.

After the last visitor had left, we looked around, and at each other, with happy satisfaction. We had been privileged to be part of an historic occasion. "Open House" marked not only an epoch, but the beginning of still further development. With membership now over 30,000 we have the facilities and resources to care for the needs of 50,000, to which membership goal our sights are trained.

While our formal "Open House" is over, and the staff has settled down again to daily routine, nonetheless the latchstring is out for other visitors and the welcome mat is lettered in gold. All are most cordially invited to call at the office when in or near St. Louis. It will be a pleasure and a privilege for the staff to show you the headquarters from which your Association carries on the multitudinous affairs of our retail credit craft.

The National Retail Credit Association renews its pledge of constant and unwavering efforts in fulfilling its mission of service to members. The officers, directors, and staff rededicate themselves to the ideal of elevating retail credit granting to its rightful place of importance in the business of America. ★★★

Open House **Candid Camera Pictures**

On the next two pages will be found 12 candid camera pictures taken at our Open House, April 12, 1951. On page 18 will be found a list of those appearing in these pictures.



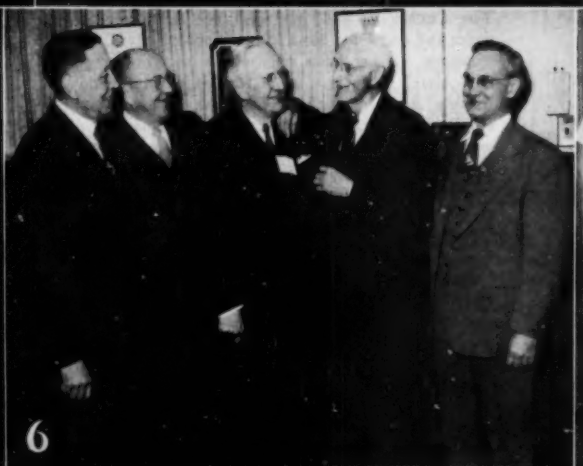
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N.R.C.A.'s Open House, April 12, 1951

LISTED BELOW are the names of the visitors at our Open House, April 12, 1951, shown in the 12 candid camera pictures illustrated on the two preceding pages:

1—L. S. Crowder, General Manager-Treasurer, National Retail Credit Association, at his desk. In the background is one of the many beautiful floral pieces.

2—Leonard Berry, Educational Director, N.R.C.A.; Dean Ashby, Past President and Credit Manager, Famous-Barr, St. Louis, Mo.; Clarence E. Wolfinger, President, N.R.C.A., and Credit Manager, Lit Brothers, Philadelphia, Pa.; Hugh L. Reagan, Past President, N.R.C.A., and Credit Manager, Cain-Sloan Co., Nashville, Tenn.; Royce Schnert, First Vice President, N.R.C.A., The "Wichita Eagle," Wichita, Kan., and Arthur H. Hert, Secretary and Research Director, N.R.C.A. Seated at the desk is General Manager-Treasurer, Crowder.

3—Clarence E. Wolfinger and L. S. Crowder.

4—A. L. Dye, Manager, Credit Bureau of Greater Kansas City, Kansas City, Mo.; Clarence F. Jackson, Retired, Vice President, N.R.C.A., 1916-1917; P. O. Greer, St. Louis, Mo.; and Dean Ashby.

5—Clarence E. Wolfinger and Arthur H. Hert.

6—Earl E. Paddon, Past President, N.R.C.A., Credit Manager, Lammert Furniture Co., St. Louis, Mo.; Clarence E. Wolfinger; L. S. Crowder, C. F. Jackson; and A. J. Kruse, Manager, Credit Bureau of St. Louis, St. Louis, Mo., and former secretary, N.R.C.A.

7—The N.R.C.A. office staff: Sharon Hare; Phyllis Schneider; Sally Deem; Mary Riordan; Esther Rohlfing; Mrs. Daniel J. Hannafin; and Gertrude O'Connell.

8—Mrs. Frank G. Nottelbrok; Arthur A. Arnold, builder of our building; Francis Zeller, foreman; Lola M. Arnold; and Frank G. Nottelbrok. In the background will be seen a beautiful floral piece presented by Mr. Arnold. It is an exact replica of our building in colored plastic foam.

9—In this picture are shown some of the guests entering the front door, with Mr. Crowder greeting them on the lower left. In the immediate center foreground is Mrs. Leonard Berry.

10—Some of our guests around the refreshment table. The centerpiece was a large glass bowl of double lilies received from the Retail Credit Executives of Texas.

11—Another view of the entrance. Some of the office staff can be seen welcoming our guests on the left side of the door.

12—L. S. Crowder receiving congratulations from guests descending the stairs.

Floral Pieces

Floral pieces were received from:

L. E. Blowers, President, Retail Credit Executives of Texas, San Antonio, Texas.

Arthur Arnold, Arnold Contracting Co., St. Louis, Mo.

Albert W. Lange, S. D. Leidesdorf & Co., St. Louis, Mo.

J. E. R. Chilton, Jr., and Howard Chilton, Merchants Retail Credit Association, Dallas, Texas.

Frank T. Caldwell, Retailers Credit Association, San Francisco, Calif.

Charles F. Sheldon, Philadelphia Credit Bureau, Philadelphia, Pa.

E. DeWitt, Seattle Credit Bureau, Seattle, Wash.

Clyde Kahlert, Missouri-Kansas-Texas Lines, St. Louis, Mo.

Will Ecker, Will Ecker & Co., St. Louis, Mo.

Robert Cain, Cain-Sloan Co., Nashville, Tenn.

Mr. and Mrs. Clarence Franke, St. Louis, Mo.

Mr. and Mrs. Edgar B. Wilke, St. Louis, Mo.

George Kletzker, Sr., Central Engraving Co., St. Louis, Mo.
John R. Kirk, Jr., The Plaza Bank of St. Louis, St. Louis, Mo.

Mr. and Mrs. W. F. Ebrecht, St. Louis, Mo.

Mr. and Mrs. Otto Broeder, Mr. and Mrs. Walter Lindeman, and Mr. and Mrs. M. H. VanderPearl, St. Louis, Mo.

Walter J. Taylor, Christian Board of Publication, St. Louis, Mo.

Mr. and Mrs. E. H. Richardson, Mr. and Mrs. J. A. Shirley, Mr. and Mrs. B. F. Morgan, and Mr. and Mrs. A. L. Petersen, St. Louis, Mo.

Mr. and Mrs. Thomas L. Manion, St. Louis, Mo.

Associated Retail Credit Men of St. Louis, St. Louis, Mo.

Credit Bureau of St. Louis, St. Louis, Mo.

Grimm & Gorley, St. Louis, Mo.

Associated Credit Bureaus of America, St. Louis, Mo.

C. T. Hosner, President, Dallas Retail Credit Managers Association, Dallas, Texas.

Von Hoffmann Press, St. Louis, Mo.

The Kriegshauer Family, St. Louis, Mo.

Congratulatory Messages and Letters

Congratulatory messages and letters were received from:

Retail Credit Association of Pittsburgh and the Credit Bureau, Pittsburgh, Pa.

Credit Bureau of Washington, Washington, D. C.

Credit Bureau of Salt Lake City, Salt Lake City, Utah.

Calgary Retail Credit Granters Association and Credit Bureau of Calgary, Calgary, Alberta, Canada.

Leo M. Karpeles, Past President, N.R.C.A., Burger-Phillips Co., Birmingham, Ala.

Credit Bureau of Greater Galveston, Galveston, Texas.

Credit Bureau of Beaumont, Beaumont, Texas.

E. A. Bohmeyer, Missouri-Kansas-Texas Railroad, St. Louis, Mo.

The staff of the Associated Credit Bureaus of America, St. Louis, Mo.

N. M. MacLeod, Spokane Credit Men's Rating Bureau, Spokane, Wash.

Harry M. Barrentine, Skelly Oil Co., Kansas City, Mo.

C. A. Wildes, Credit Bureau of Minneapolis, Minneapolis, Minn.

Robert A. Ross, Past President, N.R.C.A., Neiman-Marcus, Dallas, Texas.

Nelle Stombs, Second Vice President, Credit Women's Breakfast Clubs of North America, Rock Island, Ill.

Joseph A. White, Past President, N.R.C.A., Harris Stores Co., Pittsburgh, Pa.

Joseph H. Riggs, Past President, N.R.C.A., Florida National Bank, Jacksonville, Fla.

Merth E. Mortenson, The Marquette National Bank of Minneapolis, Minneapolis, Minn.

Ben Leyerle, Oklahoma Gas and Electric Co., Oklahoma City, Okla.

F. W. Johnson, Second Vice President, N.R.C.A., Neiman-Marcus, Dallas, Texas.

Philip Gleason, Abercrombie & Fitch Co., New York, New York.

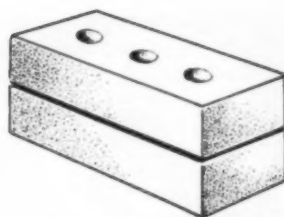
Charles E. Evans, The Aug. W. Smith Co., Spartanburg, S. C.

E. K. Barnes, Past President, N.R.C.A., First National Bank, Spokane, Wash.

John R. Kirk, Jr., The Plaza Bank of St. Louis, St. Louis, Mo.

John F. Lilly, St. Louis County National Bank, Clayton, Mo.

"BUY A BRICK" News



"Buy a Brick" Comments

"Enclosed is our check for \$250.00 which is the contribution of the Retail Credit Association of Seattle to the 'Buy a Brick' campaign. We are happy to have a part in this fine project and wish you every success toward its early completion."
—Harold J. Schrupp, President, Retail Credit Association, Standard Service Tire Co., Seattle, Wash.

"The Boston Retail Credit Women's Association has recently passed its fourteenth birthday and to celebrate the occasion we are sending you the enclosed check for 14 bricks. We hope in this way to spread the cement of friendship for the future prosperity of the N.R.C.A."—Ruth E. Davis, President, Boston Retail Credit Women's Association, Boston, Mass.

"We are enclosing our check for \$10.00 from the Macon Credit Women's Club for the building fund of the N.R.C.A. We are proud of the fact that we will have such a building."
—Mary Ruark, President, Macon Credit Women's Club, Macon, Georgia.

"The attached check for \$54.00 covers our contribution to the 'Buy a Brick' campaign. It represents a dollar for each of the 54 credit bureaus in the membership of the New England Credit Bureaus. Our best wishes for your success in reaching the goal you have set."
—Charles H. Farrell, Treasurer, New England Credit Bureaus, New Haven, Conn.

"Here is my personal check for 10 bricks for the new home of the National. I am sure District 10 will have a check for at least 100 bricks and we may have some funds left from the Associated Credit Bureaus of the Pacific Northwest's treasury to buy a few bricks."
—Walter A. Jensen, Field Secretary, District 10, Portland, Ore.

"The members of the Sun-Sational Credit Women's Breakfast Club, Pueblo, Colorado, gave their hearty approval to contribute \$10.00 toward the new building for the N.R.C.A. Our best wishes for your continued success in the 'Buy a Brick' campaign."
—Esther R. Burbach, Treasurer, Pueblo, Colo.

"The Retail Credit Men's Association of Trenton takes great pride in contributing in their small way to your wonderful 'Buy a Brick' campaign. We are enclosing our check for \$50.00 to show our appreciation for the great help our local has derived from the National Association."
—Edward M. Gallagher, President, Retail Credit Men's Association, Trenton, New Jersey.

"Enclosed is our check for \$10.00 from the Business Men's Association Credit Granters' Club for the building fund to purchase bricks for the new building of the N.R.C.A."
—C. A. Siegfried, Manager-Secretary, Business Men's Association, Moline, Ill.

"Enclosed find check for \$5.00 as our contribution to the 'Buy a Brick' campaign. It is a pleasure to be able to do our small bit in helping the N.R.C.A. in erecting a permanent home."
—Mrs. Ruth Grant, President, Cincinnati Credit Women's Breakfast Club, The Fair Store, Cincinnati, Ohio.

"We are enclosing herewith a check for \$25.00 which was voted at our board of directors' meeting as the Retail Credit Managers' Association's contribution to the 'Buy a Brick' campaign. We expect to have a delegation of 8 to 12 people at the conference in Chicago. Our board voted to promote such a caravan and to urge as many as possible to attend."
R. W. Matthews, General Manager, Credit Bureau of Kalamazoo, Kalamazoo, Mich.

"We are enclosing our usual check for monthly dues and I am glad to see the figure is up to normal. In addition we are attaching our offering for the 'Buy a Brick' campaign because we know how much we are indebted to you and the N.R.C.A. for past courtesies and valuable assistance."
—H. O. Schultz, President, Credit Bureau of Calgary, Calgary, Alberta, Canada.

"Attached is our check for \$36.00 which represents the individual contributions to the 'Buy a Brick' campaign instigated by President Wolfinger. It represents \$1.00 per member for our 36 members."
—Charles W. Swan, Secretary, South Jersey Credit Managers Association, Camden, New Jersey.

"Enclosed is our check in the amount of \$25.00 as a contribution from the Associated Credit Bureaus of Illinois to your 'Buy a Brick' campaign. Best Wishes for your success in this venture."
—George P. Johns, Secretary, Associated Credit Bureaus of Illinois, Decatur, Ill.

"The Credit Women's Breakfast Club of Greater Houston would like to have a small part in the 'Buy a Brick' campaign. It is indeed a pleasure to enclose our check for \$10.00."
—Beatrice Williams, President, Credit Women's Breakfast Club, Houston, Texas.

"We are happy to enclose our check for \$15.00 for the 'Buy a Brick' campaign. We sincerely hope you are having wonderful success in this worthy undertaking."
—Edna Marie Roberts, Secretary-Treasurer, Shreveport Credit Women's Club, Shreveport, La.

"Our check in the amount of \$5.00 is enclosed to apply on the 'Buy a Brick' fund."
—Pauline Sullivan, Treasurer, Big Spring Credit Women's Club, Big Spring, Texas.

MEMBER



National Retail
Credit
Association

AN UNUSUAL STICKER

THIS MOST UNUSUAL STICKER has been designed for use by members.

They should be used on letterheads of the credit department and on statements on which a previous month's balance has been brought forward.

THIS STICKER carries the prestige of the National Retail Credit Association and the slogan, "Guard Your Credit As a Sacred Trust," is an excellent educational message. Order a supply today.

SHOWN ABOVE actual size, they are printed in the National's colors, bronze blue on gold gummed paper.

Price, \$3.00 per thousand

NATIONAL RETAIL CREDIT ASSOCIATION

375 Jackson Ave.

St. Louis 5, Mo.

Buy a Brick, BREAK THE THERMOMETER!

CREDIT WORLD
JUNE 1951 19



Items of Interest From the NATION'S CAPITAL

JOHN F. CLAGETT, Counsel, National Retail Credit Association, Washington, D.C.

ADMINISTRATIVE

Recent Reports and Actions of Defense Agencies

In his first report to the President, Director of Defense Mobilization, Charles E. Wilson, states that, "Up to now, the consuming public has scarcely felt the impact of Government controls over production and distribution. Production of most consumer items during the first quarter of 1951 actually exceeded production during the same period of 1950." It is pointed out that output of civilian goods has held to these high levels "because defense orders have been placed in large quantities only in recent months," and that time is required to organize defense production on a large-scale basis. The report states, however, that during the remaining three quarters of 1951 scarce materials going into non-defense production will be increasingly restricted, with the greatest over-all restrictions, "under present schedules" occurring late in 1951 and early in 1952. The electronics industry seems to be an excellent example of the situation. The report states that the current near-capacity production level of that industry is approximately \$4.5 billion, since "heavy military demand for electronics equipment has scarcely yet been felt," and that the full impact will not come until tanks, planes, and automatically controlled weapons reach the mass production stage.

The forty-page report devotes about two pages to credit policies and controls, all of which, including consumer credit controls, are directed at "bearing down on total demand by limiting purchasing power." The report summarizes the principal steps taken thus far, with which we are all familiar. Of particular interest and significance as we look toward the future is the statement that: "More, however, needs to be done in each of the fields of credit controls, taxes, and savings."

The Defense Production Administration has approved its first "production pool" for the purpose of speeding defense production work through prime and subcontracts. This pool, designated "Omaha Industries, Inc.," involves one hundred small manufacturing concerns in Omaha, Nebraska. The announcement from Defense Production Administration indicates that ten or twelve other pools are in process of organization in other states. Such voluntary programs when found to be in the public interest are authorized under the Defense Production Act of 1950. The announcement stated that "the activities of the Omaha pool will be concerned only with defense work undertaken by members and that the pool specifically excludes regular commercial business." The pool members, having a wide variety of skills and facilities, will be able to perform metal fabrication, machine shop work, garment and canvas fabrication, woodworking, plastic

fabrication, paint and chemical manufacturing and other work.

It is likely that such activities will ultimately have considerable influence upon volume of retail sales in areas where located. In connection with such pools during World War II, it has been estimated that one such pool brought to the area involved over \$100,000,000 of procurement contracts which otherwise would not have been received by manufacturing establishments in that area.

The Defense Production Administration release which was dated April 26, 1951, stated that "The placing of military contracts has not been fast enough to pick up the slack of all industries facing cutbacks because of material shortages. Action is being taken to accelerate the military procurement program and efforts are being made to spread contracts across industry as widely as possible to broaden the industrial base of the procurement program and to further utilize existing industrial capacity."

JUDICIAL

Credit Losses Cannot Constitute Basis for Exemption from Some State Fair Trade Laws

A cash retailer sold articles on which he had fair trade contracts with a manufacturer at less than the minimum price established by such contracts. He argued that he was in competition with others who sold such commodities on installment credit and that, therefore, the latter by such credit sales obtained a concession from the manufacturer not available to the retailer. The cash retailer offered to prove that the installment houses suffered a 20 per cent credit loss. The Delaware Chancery Court answered that even after the sale of a commodity to a retailer, the manufacturer still owns his good will and may protect it under the Fair Trade Act. Since the cash retailer purchased the manufacturer's commodities knowing of the fixed resale prices, he was barred from arguing that such prices were not binding upon him. *Sunbeam Corp. v. Klein* decided March 27, 1951, Del. Ch. Ct., New Castle County.

Labeling Standards Promulgated by Trade Association and Plan for Policing Them Held Legal Under New York State Anti-Trust Law

The National Association of Bedding Manufacturers put into effect in the State of New York a plan for the labeling and sale of pillows. Labeling standards were promulgated; and if after inspection a retailer was found selling pillows which varied by more than 15 per cent from the quality listed on the label both he and the manufacturer who supplied him were informed of the results

of such inspection. The New York Supreme Court of Kings County was of the opinion that such policing plan, operated for the purpose of overcoming and preventing abuses of mislabeling in the feather and down industry, is beneficial to the public, encourages honest dealing, and that therefore the trade organizations that adopted it were not liable to prosecution under the New York State Anti-Trust Law.

Skip Tracing—Libel and Slander

Despite warnings that have been published from time to time, certain credit and collection agencies and executives seem to occasionally carry too much zealotry into their collection efforts. The press has recently reported a Federal court judgment against a jewelry company of Atlanta, Georgia, in the amount of \$5,000.00 because it attempted to collect a \$4.00 debt by sending to the plaintiff a card which he alleged had just about wrecked his home life. The plaintiff testified that his wife left him on several occasions after he received a post card from the jewelry company, which she read, which said:

"Dear Milford, I will be in LaGrange (Ga.) next week. Call me at 5693. Love, Mary."

The April issue of *The CREDIT WORLD* must have brought heart-warming memories to any of the Nation's law makers and administrators who happened to read it, for only a few months ago the Capital City was host to the memorable joint meeting of the Canadian Bar Association with the American Bar Association, when many legislators and key administrative personnel attended the sessions. The joint meetings many times stressed the intermeshing of business and other interests as well as the unity of purposes and ideals of the two great Republics. ***

F. Wm. Johnson Promoted

F. Wm. Johnson, Credit Manager, Neiman-Marcus, Dallas, Texas, for the past 11 years and Second Vice-President, National Retail Credit Association, has been named Sales Promotion Director of the firm, Stanley Marcus, store president, has announced. As credit manager of a store where more than 85 per cent of the dollar transactions are on credit and 55 per cent of the charge accounts are out of town, out of state or inside the United States, he has acquired a national reputation in the retail credit field.

He is vice-president of the Retail Credit Executives of Texas and former chairman of the Credit Management Division of the National Retail Dry Goods Association, and a member of the executive committee and advisory council of that organization. As Sales Promotion Director, Mr. Johnson will coordinate the advertising, direct mail, display, fashion promotion and customer relations operations of the specialty store.

William F. Cofer, Jr., has been named Credit Manager to succeed Mr. Johnson. He joined Neiman-Marcus in 1946 and during his five years as assistant credit manager, he has had wide experience in working with a credit operation which has charge customers as far away as Alexandria, Egypt, and Bombay, India.

The National Retail Credit Association congratulates both of these members for their well-deserved promotions.

"Memo to Merchants"

(Beginning on page 10.)

Such qualities would lead to alertness and fairness in such matters as dealing with people in order of arrival. I am aware that customers are sometimes unreasonable and hard to please; that the salesperson cannot afford to be too "easy"; that mistakes are bound to be made; that "perfect" salespeople are difficult to find, and a lot of other things, but I also know that this problem of personnel selection, often neglected, is vitally important and merits careful attention.

Too much can scarcely be said in favor of getting and keeping the right people on the job, certainly when they are contacting the buying public. How can we select the qualified salesperson? One simple and effective step in that direction would be to make use of reliable devices for discovering and analyzing the interests of applicants under consideration. Obviously, the person who is thoroughly interested in his or her work, and really enjoys doing it, will, if capable of performing the duties involved, do a better job, be likely to possess or seek to develop the qualities needed to make a go of it, be anxious to build good will of customers for the firm, and less likely to show irritation and indifference. In this type of situation, training, experience and the real desire to give satisfaction can work wonders.

Use of Appropriate Check Lists and Tests

Along with the interest analysis, an added step would be the use of appropriate check lists and tests, designed to bring out an applicant's feelings, attitudes and reactions toward the qualities and characteristics needed for the job. Such devices, plus careful interviewing with the problem fully in mind, can produce surprising results.

Of course, my proposals are not altogether new. Many large firms are devoting much time and money to the business of personnel selection. Many smaller firms, I feel sure, have no set policies or plans in this regard. In any case, the problem is still apparent, which accounts for this "Memo to Merchants."

So it is that, by very simple means, and almost without added cost, even the small employer could, if he would, weed out applicants unsuited for the store sales job and select those better qualified. To bring this about is a worthy objective, the attainment of which would represent a "return" in satisfactions for both worker and customer, to say nothing of the general good will thus engendered and possible added profits for the business. ***

CREDIT MEN! YOU CAN EARN MORE WITH LEGAL TRAINING, LLB DEGREE

LAW

The law-trained credit man has the advantage, every time! It's easy to study at home in spare time with our complete, law course and lessons. LLB degree awarded. Low time payment plan to fit your budget. Thousands of satisfied graduates. 42 years of instruction. Find out now, at no cost, how study of law can help you. Send for informative book, "Law and Executive Guidance"—FREE.

AMERICAN EXTENSION SCHOOL OF LAW

DEPT. C-39, 646 N. Michigan Ave., Chicago 11, Illinois

LEONARD BERRY

NOT ALL STORES and firms are affected by the current business situation that has been labelled an *inventory recession*. However, there is ample evidence that, in some quarters and in some lines, sales resistance is strong. While this condition might prove to be of short duration, merely a lull, managers of credit sales of firms whose sales are lagging, can stimulate business activity by plugging the advantages of credit.

Here and there, we find some doubt expressed as to the wisdom of promoting credit sales when the outlook is seemingly uncertain. The reply to that is that there seldom exists a completely clear outlook; ample and plausible reasons usually abound for timidity and apprehension. Actually, vigorous credit sales promotion programs would seem to be perfectly sound, and even necessary, at this particular time.

Employment, one major yardstick of retail credit management, is at an all-time high. In March, 1951, civilian employment was placed by the Census Bureau at 60,179,000. The number of persons in jobs rose 1,274,000 during the month. Unemployment fell 260,000 to a total of 2,147,000, the lowest March figure in four years.

Surely credit managers should tackle the problem of getting new credit customers, and inducing those on the books to buy more. Top management, anxious to reduce inventories and stimulate sales, will welcome assistance from the credit executive in moving goods from warehouse to consumer.

It is gratifying to note that increased importance is being attached by store owners and executive managers to the matter of better communications in general. Business success depends on many factors. Some of these, including merchandise display, store layout, physical plant, and others, have achieved the recognition they well deserve. The fact that communications powerfully affect public relations is being stressed by enlightened store executives.

Under the umbrella term, communications, cluster all the ways in which we communicate with customers. Often we think only of letters as communications, but we should also consider printed forms of all kinds, statements, signs, directions, interviews, telephone conversations and others, as part of communications. Each one can, to a greater or less degree, create or destroy good will.

Every communication has a twofold responsibility, first, to convey a message, and second, to make the recipient of that message more friendly toward us and our stores. Many communications accomplish the first, but fail to do the second. Store owners, who are angered, and properly so, at the sight of dust, dirt and litter on the selling floors in some instances, complacently tolerate communications from their business houses that are de-

void of attractiveness or beneficial selling influence.

Good communications are partners with fine merchandise, complete stocks, convenient location and attractive establishments in gaining and retaining customer approval. From the competitive viewpoint, better communications give a great advantage. As credit departments are among the most prolific sources of communications, the responsibility is especially theirs to make sure that every communication, of whatever type, adds to better public relations.

Here are just two small but important examples; store directories often place CREDIT DEPARTMENT, not under "C", where the customer logically expects to find it, but under "O" for OFFICES. Signs directing the customer to the credit offices are often obscure and thus the stranger is obliged to ask for directions.

Cashier's windows must necessarily, for personnel reasons, be closed at certain times. More often than not, the sign placed in the window indicating such fact reads, CLOSED—NEXT WINDOW, where surely the addition of that powerful little word, PLEASE, would make the message more palatable to the hurried customer.

Stores, as well as people, have personalities. Part of personality consists of the way we do and say things. Credit managers would do well to take all the ways in which they communicate with customers, and examine them. Unless those communications accomplish the twin functions of telling the message, and building good will, worth-while improvements can be made.

This Month's Illustrations

Illustration No. 1. H. C. Kanske, Credit Manager, H. C. Prange Co., Sheboygan, Wis., uses a novel approach to the perennial small balance problem. Printed notices have been sent, and now a letter is necessary. The amount involved, however, does not warrant great pressure. This friendly and appealing letter has just the right touch.

Illustration No. 2. This series of six collection notices is shown by the courtesy of E. F. Horner, Manager of Credit Sales, Kline's, St. Louis, Mo. They are inserted with monthly statements at the discretion of the collection supervisor. Printed on 60 lb. ripple bond white paper, they reflect the good taste and quality typical of Kline's. They measure 3" x 5".

Illustration No. 3. Charles E. Evans, Credit Manager, Aug. W. Smith Company, Spartanburg, S. C., also places reliance on printed collection forms and we are grateful to him for allowing us to reproduce four of his series. Note the effective wording of these fine notices. Different colors are used to heighten the effect. Note: These forms shown through the courtesy of Perry Peach Company, Brattleboro, Vt.



H. C. PRANGE CO.

ESTABLISHED 1887
MILWAUKEE, WISCONSIN

MAY 25, 1951

①

Mrs. John Doe
Suite #2
Milwaukee, Wisconsin

Dear Mrs. Doe:

A feather is not very heavy, but have you ever carried a feather bed upstairs?

The small account does not burden anyone, but hundreds of them often make a tremendous load.

Besides--

A small account may be easily spent in postage and letters before it is paid.

This isn't fair and you don't want to appear unfair for the amount you justly owe us, \$2.95.

Please reply.

Yours very truly,

H. C. PRANGE COMPANY

H. C. Prange
Deferred Payments

JUST A
PEN--

—A DASH
OF INK.

③



and your signature on a check
will bring your account UP-TO-
DATE.
On your due amount past due is
shown below.

THE AUG. W. SMITH CO.
SPARTANBURG, S.C.

PLEASE DETACH AND RETURN WITH YOUR REMITTANCE

A. J. J. J.

TO: THE AUG. W. SMITH CO.
SPARTANBURG, S.C.

THE AUG. W. SMITH CO.
SPARTANBURG, S.C.

IT IS ALWAYS A PLEASURE TO BE ABLE TO SERVE YOU.
WE HAVE JUST AUTHORIZED YOUR
RECENT CHARGE EVEN THOUGH THERE
APPEARS TO BE A SOMEWHAT OVER-
DUE BALANCE.

IN ORDER THAT THERE BE NO INTER-
RUPTION IN YOUR CHARGE PRIVILEGES,
WE SUGGEST YOUR PROMPT RE-
MANCE FOR AMOUNT INDICATED BELOW.

THANK YOU

PLEASE DETACH AND ENCLOSE WITH YOUR REMITTANCE

TO THE AUG. W. SMITH CO.
SPARTANBURG, S.C.

ENCLOSED IS MY REMITTANCE OF \$2.95

Mrs. Richard Roe
600 Ninth Street
Spartanburg, South Carolina

\$2.95

IF YOUR REMITTANCE HAS BEEN MADE RECENTLY, KINDLY DISREGARD THIS NOTICE

②

JUST A REMINDER that we will appreciate a
remittance for the amount overdue.

Thank you

A WORD OF APPRECIATION for your purchase
and a friendly reminder that all accounts
are due 10 days after billing date.

May we have a remittance now for the amount
overdue?

Thank you

WE HAD HOPED our previous reminder of
your past due account would be sufficient, but we have
heard from you.

Will you send a remittance at once, please?

Thank you

THE PART PAYMENT you recently made on
your account is appreciated. However, there is still
an amount some months overdue.

Therefore, may we have an additional remittance
at this time for the remainder of the past due
amount?

Thank you

ATTENTION has previously been called to
an account now quite overdue on your account, but
we have not received payment.

Please send a check now to eliminate the
possibility of any restrictions being placed
on the use of the account.

Thank you

PLEASE DON'T TAKE OFFENSE at this second
reminder... but we have not yet received
the payment due on your account.

What's your guess this year's contribution today?

KLINE'S

There! I know
there was one I
had forgotten!

THE AUG. W. SMITH CO.
SPARTANBURG, S.C.

"TO SERVE MEN - OUR CONSTANT AIM"
x 12.95
RETAIL OF JEWELRY

Mrs. Richard Roe
600 Ninth Street
Spartanburg, South Carolina

Why
not today?

YOUR USUAL
RECKONING
WILL BE
GRATEFUL

Amount Due \$25.00

THE AUG. W. SMITH CO.
SPARTANBURG, S.C.

Mrs. Richard Roe
600 Ninth Street
Spartanburg, South Carolina

IF YOUR REMITTANCE HAS BEEN MADE RECENTLY, KINDLY DISREGARD THIS NOTICE

Buy a Brick, BREAK THE THERMOMETER!

CREDIT WORLD 23
JUNE 1951

Human Relations—Past and Present

S. BERNSTEIN, Reliable Toy Co. Ltd., Toronto, Ontario, Canada

IT IS AN established fact that human nature does not change. The basic passions of mankind, such as, love, hate, jealousy, greed, desire for power over one's fellows, are the same today as they were at the time of Adam. One of the reasons why Shakespeare's works retain their appeal throughout the centuries, is that the foibles, weaknesses, and passions he depicted in his characters are recognizable, in every age, as belonging to people then living. Certain it is that insofar as human behaviour is concerned, Solomon's maxim that "there is nothing new under the sun" holds good.

Yet, if we review history, we are impressed by the changes in human attitudes that have been brought about by the ever increasing complexities of advancing civilization. The human traits are the same, but changing conditions have forced different modes of application, both on the part of nations and individuals.

Wars Brought About by Greed

Take, for example, the wars of antiquity and their aftermaths. They were brought about by greed, lust for power, jealousy, and the other basic passions which underlie the aggressions of our own day. In primitive ages, however, when the structure of society was comparatively simple, the victor proceeded to enjoy his conquests by enslaving the vanquished, heaping miseries upon them to punish them for living. Ariovistus, the ancient German commander who opposed Julius Caesar in his early campaigns in Gaul, was typical of those who exemplified the "Might is Right" doctrine. He was arrogant, ruthless, supremely self-confident to the point of deriding the abilities of others, and utterly devoid of any consideration for anyone, even his own soldiers who had placed him in his position of eminence. On the other hand, Julius Caesar, while being a great military leader, was the first to recognize that kindness, even to the vanquished, pays off. He saw that to consolidate his gains, and to be free to proceed unhampered to further conquests, it was necessary to gain the goodwill of his erstwhile enemies. Indeed, Roman policy at this period and for over 200 years following it was based on these principles, and the decline of the great ancient Empire began when the Roman rulers reverted to the Ariovistus type. It cannot be denied that the ultimate aim of all dictators, whether ruthless or benevolent, is the same. Each seeks self-aggrandizement by the exercise of superior might. They differ only in methods. Experience has shown that those choosing the "benevolent" system are "ahead of the game".

Let us take another example, closer to home. The British captured French Canada and were officially recog-

nized as conquerors by the Treaty of Paris in 1763. As such, the British could have wiped out every vestige of French rule. Instead, they chose to establish the French language on a par with English in Parliament and in the Courts, retained French Civil Law, and respected the customs and usages of their vanquished foemen. It was contended by many statesmen at the time (and some, since) that this policy was a mistake; that, if the British had exercised the rights of conquerors and had ruthlessly stamped out every trace of French occupation, Canada would have been saved much agitation and strife that has plagued the country for many years. Is that true? Hardly. The verdict of history is that in all probability there would not have been a Canada at all, if, during the American Revolution, with American armies at Quebec and Montreal, the French Canadians had not joined their benevolent English conquerors in defending the country wherein their culture and heritage had been preserved.

Thus, we see that with the advancing centuries, mankind has learned that it pays to control and modify some of its basic traits. In the meantime, life has become more complex. With the advance of civilization through research, discovery and invention, the standards of living have been raised for many millions of people in those countries which have kept abreast of developments. It became increasingly apparent that in order to take full advantage of this progress, nations could not live unto themselves alone. Each country, with its peculiar climate and natural resources, the specialized skills of its people, and its geographic position, has something unique to contribute to the "pool" of products and services which go to make up our modern way of life. We can hardly pick up a single object in our home or in our office, whether it be an article of furniture, a piece of clothing, or a bit of food, that does not, in some way, incorporate within itself the products of many lands and the skill and toil of many hands thousands of miles away who, at that very moment, are enjoying the fruits of our own labour. International trade has become part of our way of life, and our own welfare has become inextricably bound up with the well-being of the peoples of the earth.

Ravages of War

It follows, therefore, that when any nation is devastated by the ravages of war, its economy put out of gear, and its productiveness destroyed, not only are its own people the sufferers, but they are joined in miseries by its conquerors. It fact, current history proves that the adverse effect upon the victors may be even greater than upon the vanquished. Hence it becomes a matter of self-interest to put into the background our natural tendency to oppress a vanquished foeman. Our arro-

gance, as victors, is sure to be a boomerang which will destroy us.

During the first World War, President Woodrow Wilson and his advisers, clearly evaluating these principles, brought forth the maxim, "Peace Without Annexations, and Without Reparations." The world's other statesmen, however, were not abreast of him in their thinking. They were still living in the age of Ariovistus. At the conference table, Wilson found it impossible to overcome some of the arrogance inherent in haughty conquerors, and the defeated nations were saddled with a huge bill. The mere fact that it was necessary to evolve a Young Plan and a Dawes Plan to ameliorate this burden shows how impractical (even from the victor's point of view) the original demand was. In other words, the victorious nations at Versailles in 1919, failed to adopt the principles of Great Britain following the Treaty of Paris of 1763 or of Julius Caesar in Gaul about 1800 years earlier. The reaction in Germany led to the formation of the Nazi party under Hitler, and the Second World War, and now it is being demonstrated more forcefully than ever that victorious England is in far greater economic straits, as a result of that war, than defeated Germany. Under modern conditions, the world can be regarded as a single household, and no part of that dwelling can be damaged without affecting all who live in it. The only way we can be prosperous ourselves is by assuring prosperity to our co-inhabitants. We cannot hope to dispose of our surplus products to people whom we impoverish by our refusal to accept theirs. Even in catering to our own selfishness, we must be unselfish. It has come to that in international affairs.

That being so, one would think there are plenty of problems to work out as to how we can best promote one another's interests, develop trade without adversely affecting home manufactures, exploit the world's natural resources for the greatest measure of benefit to all, and take advantage of scientific discoveries to prolong human life and promote human happiness. These are, unfortunately, "consummations devoutly to be wished", but very far from realities. So much talent is needed for this humanitarian work, but what we are we doing with our best brains? We put them to work to develop bigger and better bombs to destroy ourselves. The first half of this twentieth century has demonstrated that despite all our progress, despite our aspirations some day to reach the planets, despite our achievements in wresting from nature her innermost secrets, we are helpless when it comes to mastering our own baser selves. Hate, prejudice, and greed are still the dominant passions in the world, and, paradoxically enough, they exist in greater measure among "civilized" people than among savages.

The Progress of Civilization

Judging by the history of the past 50 years, pessimists have pointed out that in reality all progress is an illusion. In fact, if we keep "progressing" in the same manner as we have done in the immediate past, we shall "advance to the rear", and civilization, in its entirety, will be wiped out. On the other hand, there are those who assert that, while it may be true that humanity may step backward during certain periods, the total retrogressions, do not overbalance the advances; and thus, the net result, viewed by the historian, over a long panorama of years, is one of net progress. Events teach us the folly of catering to

our inherent vices, and in international, national, and individual affairs, we shall gradually learn to be considerate of others, if, for no other reason, than the desire to be considerate of ourselves. Human nature is the same as it ever was, but humanity must learn to control it if the human race is to survive.

What Is a Nation?

What applies to nations in their dealings with one another, equally applies to individuals, for, after all, a nation is but a collection of individuals. Let us consider, for example, the problem of labour relations. At one time it was not even a problem. The owner of the land, mine, or factory, also owned the "hands" who worked in them. There was no question of pleasing their help. The workers were completely dependent upon the whims and caprices of the master, who was thus able to gratify to the full his inherent lust for power over his slaves. Gradually, however, there arose "benevolent despots" in industry, men who were shrewd enough to recognize that "you can catch more flies with honey than with vinegar", and that contented workers produce more goods, and of a better quality than ill-treated ones. Workers were accorded certain privileges, and these were quickly demanded from other masters. Then followed long years of struggle between organized labour and organized capital. Each viewed the problem from his own selfish point of view. Capital sought to retain its power by forcing labour to accept as little as possible during the workers' productive years, and did not care a whit as to what happened to the toilers when old age was upon them and their strength gone. On the other hand, labour fought to wrest from capital whatever they could, regardless of capital's inability to pay. The major industrial disputes wherein each side stubbornly refused to consider the other's point of view, are reminiscent of the combat between the two knights of old who, standing on opposite sides of an overhanging shield, got into an argument over its colour, one maintaining that the shield was red, and the other asserting that it was yellow. After they had mortally wounded each other they discovered that the shield was red on one side and yellow on the other. Each, from his own point of view, was right; yet they were both wrong.

Of recent years, a ray of hope appeared on the horizon. Leading firms, like the ancient "benevolent despots", came to realize that they can best maintain their leadership through the loyalty and devotion of their workers. They could attract better class workers by improving working conditions, and acknowledging the employer's responsibility for the welfare and security of those who, by their toil, have helped build their industrial empires. Thus, we have seen the development of pension plans to provide security for workers in their old age, hospitalization plans to free the employee from anxiety when illness strikes him or any member of his family, industrial health centres, rest periods, recreational facilities, employees' social activities, dramatic and musical societies, all designed to retain the loyalty of their staffs, and some more enlightened and successful firms have even ceased to refer to their employees as in any way subordinate to management, but call them "associates". In these plants, people are made to feel that they are working *with* management, rather than *for* it. New techniques have been developed (Turn to "Human Relations," page 27.)

★ FOR THE SMALLER BUSINESSMAN ★

Sales Promotions—Office Procedures
Credit & Collection Problems

Use of Telephone in Collections

CONTINUING OUR discussion of collection methods and procedures, let us talk about the telephone as an effective and economical collection tool. Particularly after two or three collection notices or reminders have gone unheeded, a telephone call to the customer is justified. It is necessary to find out the reason for non-payment and the telephone is one valuable way of doing this. Many large stores, as well as smaller, regard the telephone as an indispensable ally.

Seldom do telephone calls cost more than a few cents. The average length of telephone calls, less than three minutes. Compared with the cost of preparation and mailing of even a processed form letter, certainly the telephone possesses clear advantages.

One tremendous value is that the customer is almost obliged to say *something*, even if only to offer a vague assurance that the matter will be looked into. Once in a while, to be sure, a customer will hang up abruptly after getting an inkling as to the nature of the call, but this seldom happens. Even when it does, there is still some advantage to the creditor, because surely no clearer revelation could be made of the customer's attitude toward the matter. Obviously, the alert collector will be alarmed by this lack of cooperation and intensify his collection efforts, as well as restricting further credit.

It is easy for customers to ignore letters and notices, indeed, to assert that they were never even received. The telephone, however, offers no such easy way out. It provides a direct person-to-person contact, and usually gets an answer quickly. One positive advantage is that a friendly voice and confident, cheerful manner add a human quality not always possible in a letter.

There are at least two points about telephone collection techniques that should be mentioned. *First*, the utmost courtesy should be maintained. The temptation to tell the debtor "a thing or two" is understandably strong, particularly when an indifferent or antagonistic customer is encountered. A few collectors, unfortunately, feel free to say things on the telephone that they would hesitate to put in writing, and would certainly not dream of saying to the customer in person. This is a mistake. Not only is valuable good will thus destroyed, but the customer is given a tactical advantage. An angry, resentful or upbraiding approach forces the customer to reply in kind. Thus painful and futile arguments and quarrels result.

It must be repeated that successful collection work consists not only of getting the money—that really is the smallest part of the work—the challenge lies in getting the money *and* keeping the customer's good will. We

are in business to sell goods, and one principal reason we want the bill paid is that we can then sell that customer more goods. A paid-up account is always one "open to buy." Bluntness and threats often lead to resentment and long-lasting animosity. Courtesy and consideration, on the other hand, increase friendship.

Second, the collector should put himself or herself in the customer's place. The telephone often rings in the home at most inconvenient times. Many experienced telephone collectors, after having first made sure they have the right person on the line (an important point), ask if it is convenient for the customer to talk then about the account. If home conditions are momentarily hectic, it is hardly a good time to discuss such a matter. Should the customer so indicate, then the caller can say that he or she will call again later, and ask about what time would be most convenient.

Usually the customer will say that it is convenient to talk, and thus the conversation starts out with an impression of consideration having been created. Then, the simple statement, "We haven't heard from you in some time about your account," calls naturally for some reply from the customer. It is both smart and courteous, after the introductory remark, to let the customer talk. Some grievance might come to light, an unsatisfied complaint, or perhaps, an uncorrected error on the bill. Naturally, the collector will listen attentively and assure the customer that steps will be taken to correct the matter.

Almost invariably a definite promise of payment will be given. This should be followed up promptly if not fulfilled. It is important to fix in the mind of the customer that obligations are important, and that promises should be fulfilled exactly.

Every effort should be made to secure a definite commitment from the customer. If payment is to be made in person, even the specific time of day at which the customer is to come in can be named. Should the promise be to mail the payment, the conversation can be closed with, "Thank you, Mrs. Jones, we shall look forward to receiving your check on Wednesday morning, that means you must mail it on Tuesday evening." The urgency and importance of the matter can be conveyed by the words used, and the tone of voice employed.

While on the subject of collection procedures, we should offer a word of warning about some of the more extreme collection "stunts." These have, on occasion, brought stores and firms into serious difficulty. For instance, several newspapers recently carried the story, which went out over the wires of a national news agency,

describing the unexpected effect of one such. A store mailed a postcard to a debtor with the message starting out, "Dear Jim," signed "Love, Helen," and asking Jim to call a given telephone number. There was no indication on the postal card that it came from a business firm. Sadly enough, the wife read the card, and thinking the worst, precipitated a domestic crisis which resulted in the store being successfully sued by the husband for substantial money damages.

Some of the extreme practices of a few collection agencies in locating missing debtors also are open to possible court censure. In general, it is the best policy to carry on collection procedures in an open, straightforward and businesslike manner.

This does not mean, however, that all possible skill and ingenuity should not be used. Collectors are in competition with other claimants for the customer's dollar, and resourcefulness and variety of approach are often necessary. Many stores have successfully used clever rhymes and humorous printed inserts with no loss of dignity. There are numerous attention-getting devices and permissible "tricks" that soften the severity of the cut-and-dried collection notices. Sometimes the collector has to resort to mild deception to gain victory. Just recently for example, **PRINTERS' INK** had an article written by E. M. Marshall from which the following is taken: "If you want to get your money badly enough to go to a bit of bother to collect it, here is a simple idea that got results.

"After sending a number of statements that the customers had ignored, I tried a bit of psychology, but not without plenty of misgiving. I kept the correct balance as shown by the account in a private file, but sent the customer a statement showing a noticeable error certain to be detected.

"There are different ways of doing this. You will probably use the scheme on only a few accounts at a time, the same as I did. Sometimes I sent a statement which omitted the last payment. More frequently I saw to it that there was an error in subtraction, which could be easily explained as carelessness, when the customer called the mistake to our attention. This would involve either a telephone call or a personal visit. A bit of cleverness in answering the phone call usually turned the call into a visit that quite often would result in wiping out the small balance. I always thanked the customer heartily for calling the 'error' to my attention so as to insure keeping her good will.

"It seems nearly everyone has a bent for criticism which they like to exercise. It was reading a hint based on this idea which made me wonder if it would not work out in collections.

"In the hint, a good salesman decided to use criticism in his advertising. He put a poster in the window in which he misspelled one of the advertised articles. It paid him well, and I proved on our accounts that it worked about 90 per cent of the time, too!"

In all successful collection methods, there is one common denominator, and that is the "sales" approach to the problem. When the customer is "sold" on the desirability and advantage of paying, results are accomplished without the storm and clash that so often characterizes collections. ★★★

"Human Relations"

(Beginning on page 24.)

to make newcomers feel at ease from the moment they are introduced to their superiors and their jobs. Accurate records are kept in the personnel office of the employee's progress, and a keen personal interest is taken in his welfare. Attempts are even made to help him solve his personal problems that arise from time to time. A worried worker cannot perform at his best, and up-to-date firms make it their business to free their help from this handicap. Do these policies pay off? Look at the record of the most successful firms in the United States and Great Britain. Ample proof is available to show that a firm's success is in direct ratio to the kindness and consideration with which it treats its employees. In industrial relations, as in international affairs, selfishness, or the desire for success by a firm, has been best served by the exercise of unselfishness.

Credit, a Phase of Human Relations

There is one more phase of human relations that should be dealt with in a discussion such as this. That is credit. It is an important part of human relations as practiced between a business and its customers. Credit has been defined as a form of capital. It is value loaned from one business to another in order to assist this second enterprise to do a greater volume of sales than would be possible if it were forced to carry only the goods it can immediately pay for. Obviously, there must be a definite basis on which credit managers determine how far they want to go. Orthodox methods demanded a careful scrutiny of the customer's financial statement, his paying record, and the likelihood of his success. Having arrived at a decision, a credit limit was fixed, and that was that. Today, the credit manager must be something more than a mere slave to fixed formulae. He must be a keen student of human nature, a business psychologist, and have an ability to convince people of his goodwill and sincerity. In short, he must be able to view a situation from the customer's point of view. He must visualize how a decision might affect such a customer. For example, if a manufacturer is selling seasonal merchandise, let us say, to a jobber, who must re-sell and deliver them, in turn, to customers of his own by a certain time, it will not do for the manufacturer simply to stop shipping goods just because the credit limit has been reached. Such a course can only result in the jobber losing business, and he will be lost to the manufacturer for many years to come. In a situation like this, the credit manager must "talk things over" with the customer with utmost frankness, and taking into consideration the season of the year and conditions generally, should make suitable arrangements so that the supply of goods can go on without interruption. A good credit manager is one who does his job without being a handicap to the sales department and to do this, he needs to do some progressive thinking along the lines of improved human relations.

In all phases of human activity, definite progress has been made to overcome natural propensities. In the words of Galileo, "the earth does move", and it is to be hoped that the human mind, governing the human heart, will also move, on and on, to finer thoughts and bolder theories. ★★★

Business Conditions and Outlook

General Business Conditions

THE TOTAL VOLUME of business transactions that are being carried on throughout the country is now about 16 per cent higher than it was a year ago. The spring rise in activity has been about the same as it was last year, although conditions are somewhat spotty, and there are many wide variations among individual lines of business and among different parts of the country. Generally, production of goods has been making a better showing than retail trade and consumer buying. Most recent reports indicate a lull in several fields, but changes from the level which has prevailed for several months have been slight.

The largest area in which business conditions have shown a greater rise than the national average is the agricultural regions of the Middle West. Much of this improvement has been due to the higher farm prices and income. This stimulus has persisted even though some prices have declined moderately from the high point of a few months ago. Even the effect of less favorable conditions in the wheat-growing area of the Southwest has not yet changed the level of business in that section to any great extent. Crop prospects, except for those in the winter wheat area, are generally favorable, and farmers intend to plant a larger number of acres than they did last year.

Very good conditions in the industrial areas, especially those around the Great Lakes, continue to be significant. They reflect the high level of industrial production. Factories are continuing to turn out large quantities of goods, and both employment and payrolls have risen strikingly in the durable goods fields, which are most directly affected by government orders for military supplies and equipment. Increased industrial activity in these lines is also responsible for the good showing in some parts of the South and the Southwest. The high level in the total output has been maintained in spite of layoffs due to large inventories of finished goods and shortages of raw materials in some lines.

Business continues to lag in the New England states, although there has been some improvement in the Boston area. Activity in New York is also below the national average, but it continues to be considerably above last year. Another major area of lagging business is in the Southeast. Agricultural conditions are not quite favorable there as they have been in some other places, but there has been some improvement recently. Weather conditions throughout the winter have been adverse, and have been a factor in holding down the rise in activity.

Along the Pacific Coast conditions have become even more favorable than they have been for several months. Throughout the entire area the rate of business activity has increased more than the national average. Further gains are expected.

In Canada, the volume of trade and industry has been making substantial gains with a rising volume of exports and of retail trade. Industrial production in many lines has also been forging ahead with gains of around 15 per cent over last year. In some lines the increases have been even greater. Among the different sections of the country the area north of Great Lakes has been making the best showing. Also favorable is the region West along the Pacific Coast. Agricultural conditions are becoming slightly more favorable than they have been in recent months, but business in the farming areas continues to lag slightly. The outlook is for a continued high rate of activity.—*Business Bulletin*, LaSalle Extension University, Chicago, Ill.

Consumer Credit

CONSUMER INSTALMENT credit outstanding amounted to 12,980 million dollars at the end of March. This was 1,903 million above a year earlier, about the same as the end of

August, 1950, and 400 million below the end of October, 1950. The decline in instalment credit during the five months ending March 31 reflected decreases in automobile sale and other sale credit and a slight increase in instalment loans. Instalment credit outstanding declined 95 million dollars in March, a month during which a rise usually occurs. This decline compares with decreases of 203 and 182 million dollars for January and February, respectively. A substantial decline in instalment sale credit during March was partly offset by an increase of 50 million dollars in loan credit. Charge accounts outstanding were reduced during March by 72 million dollars despite an early Easter. This decline probably reflected repayments of debt incurred during the buying wave of January. Total consumer credit outstanding declined 161 million dollars in March to 19,375 million at the month-end.—Federal Reserve Board.

Retail Furniture Report

MARCH FURNITURE STORE sales showed somewhat less than the usual seasonal expansion and were only slightly above the volume of a year earlier. Instalment and charge-account sales increased 11 per cent and 6 per cent, respectively, while cash sales were but 1 per cent above the February level. Both cash and charge-account sales were in larger volume than a year ago with the latter showing the more substantial increase. Instalment sales, however, declined moderately from the year-ago level. Instalment accounts receivable were 2 per cent less than in February, but showed a gain of 4 per cent over the corresponding date of 1950. Collections on instalment accounts rose 9 per cent in March and the ratio of collections during the month to accounts outstanding on the first of March was 11 per cent, one point higher than in the previous month. The retail value of inventories at furniture stores rose 7 per cent during March and at the end of the month was 36 per cent larger than a year earlier. Stocks on hand on March 31 were equivalent to approximately 6 months' supply at the prevailing rate of sale as compared with four months' supply on that date last year.—Federal Reserve Board.

Consumer Instalment Loans

CONSUMER INSTALMENT loans outstanding at the principal types of lending institutions on March 31 were up 1 per cent from the end of February, and amounted to 4,593 million dollars. The monthly gain brought these balances 20 per cent above the level of March, 1950. Each type of lender reported a substantial gain in loan volume during March, which resulted in an over-all rise of 26 per cent from a month earlier and 12 per cent from a year earlier.—Federal Reserve Board.

Retail Instalment Credit at Furniture and Household Appliance Stores

INSTALMENT ACCOUNTS receivable at retail furniture stores declined somewhat in March, compared with a small increase during March a year ago. At the month-end, outstandings were but slightly above the level of the corresponding date last year. Instalment accounts outstanding at household appliance stores on March 31 were moderately reduced but were almost one-third larger than those of a year earlier. Collections on both furniture and household appliance store instalment accounts rose moderately in March and, when related to first-of-month accounts receivable, yielded collection ratios one point above those for February. The ratios for both types of outlet were unchanged from those of March, 1950.—Federal Reserve Board.

Collection Scoreboard

Compiled by the Research Division

April, 1951

April, 1950

CITIES	DEPARTMENT STORES (Open Accounts)						DEPARTMENT STORES (Installment Accounts)						WOMEN'S SPECIALTY STORES						MEN'S CLOTHING STORES					
	1951			1950			1951			1950			1951			1950			1951			1950		
	AV	HI	LO	AV	HI	LO	AV	HI	LO	AV	HI	LO	AV	HI	LO	AV	HI	LO	AV	HI	LO	AV	HI	LO
Atlanta, Ga.	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Baltimore, Md.	45.3	48.3	42.7	45.1	48.1	42.6	19.0	25.7	15.5	18.0	23.5	13.6	41.4	49.4	40.8	44.4	48.0	42.3	41.0	46.9	35.1	40.0	43.0	37.0
Birmingham, Ala.	45.5	56.7	38.0	48.2	59.5	41.0	21.0	32.2	15.0	18.5	26.1	14.4	55.7	73.5	46.4	48.8	58.6	39.5	48.9	50.1	48.0	50.8	53.1	45.9
Boston, Mass.	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Cedar Rapids, Ia.	55.1	56.2	54.1	60.2	62.4	58.1	15.8	16.0	15.6	19.1	19.5	18.8	—	72.0	—	83.0	—	68.8	71.0	66.7	72.6	74.0	71.1	71.1
Cincinnati, Ohio	54.3	58.4	47.8	56.1	62.0	47.4	17.4	23.7	12.5	17.0	30.5	11.5	60.7	65.4	54.6	59.7	62.5	57.0	50.4	55.7	45.2	55.7	58.5	52.9
Cleveland, Ohio	47.7	53.2	41.6	49.6	55.2	42.8	23.7	26.8	19.4	22.6	25.8	19.6	46.7	53.9	39.5	39.6	41.1	38.1	74.8	98.4	51.2	68.6	82.3	44.8
Columbus, Ohio	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Davenport, Ia.	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Denver, Colo.	46.5	49.3	38.0	46.0	49.9	38.9	19.1	21.7	15.7	18.8	21.5	13.1	45.9	47.7	44.0	43.9	49.0	38.9	45.9	47.7	44.0	43.9	49.0	38.9
Des Moines, Ia.	—	—	—	—	—	—	—	16.9	—	—	18.1	—	55.3	65.0	45.5	62.3	70.0	54.6	—	—	—	—	—	—
Detroit, Mich.	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Grand Rapids, Mich.	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Kansas City, Mo.	58.8	65.5	52.2	54.0	57.4	50.7	22.2	24.1	20.4	19.9	20.4	17.5	55.0	62.5	48.2	55.0	63.8	52.8	55.0	62.5	48.2	55.0	63.8	52.8
Little Rock, Ark.	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Los Angeles, Calif.	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Louisville, Ky.	51.2	57.9	47.1	49.3	51.1	46.9	15.6	18.4	13.3	15.6	18.6	12.9	38.7	42.3	30.0	41.1	45.9	37.0	48.0	58.7	37.1	50.8	58.3	44.1
Lynn, Mass.	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Milwaukee, Wis.	51.7	56.5	47.0	56.3	63.1	49.6	—	18.5	—	15.2	17.5	14.6	53.2	53.7	46.0	49.5	54.8	46.0	48.0	56.0	47.1	57.8	64.0	46.1
Minneapolis, Minn.	55.5	58.4	52.4	57.2	59.8	52.8	21.0	23.9	18.1	19.7	20.7	18.2	—	60.2	—	62.6	69.1	56.1	55.5	61.0	49.1	63.0	77.0	51.1
New Orleans, La.	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
New York, N.Y.	49.0	52.5	39.1	49.6	55.3	39.9	20.5	23.7	17.1	19.3	24.3	14.7	46.1	49.8	45.9	45.5	53.2	43.5	57.1	60.9	53.3	55.5	57.3	53.1
Oakland, Calif.	51.1	56.5	45.0	58.6	62.1	51.1	22.5	29.1	14.5	16.1	24.6	10.2	53.6	53.7	53.5	55.5	58.1	52.9	51.5	56.0	47.0	55.8	61.6	50.1
Omaha, Neb.	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Pittsburgh, Pa.	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Providence, R.I.	47.7	54.4	42.7	46.7	55.0	46.2	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
St. Louis, Mo.	55.1	57.0	54.0	55.9	60.0	52.5	23.0	23.8	16.6	17.9	20.6	16.5	46.2	54.7	41.8	47.2	52.7	40.4	49.0	50.8	46.5	49.0	55.5	45.9
Salt Lake City, Utah	57.0	65.7	50.2	63.1	72.3	55.6	20.6	23.4	17.0	20.1	24.3	16.8	—	—	—	—	—	—	50.2	50.8	49.6	53.5	54.3	52.1
San Francisco, Calif.	—	—	—	55.3	61.1	39.9	—	—	—	20.1	21.7	18.8	—	—	—	44.3	49.5	38.4	—	—	—	50.3	51.1	47.8
Santa Barbara, Calif.	59.4	69.9	54.3	61.8	66.9	52.1	—	—	—	—	—	—	56.1	59.7	52.6	62.6	67.3	59.3	62.0	69.8	55.5	67.4	70.0	62.6
Sioux City, Ia.	47.5	54.0	41.1	47.9	54.6	41.2	—	12.8	—	—	10.2	—	51.7	55.5	48.0	60.2	61.5	59.0	51.0	53.8	48.3	—	67.0	—
Spokane, Wash.	53.2	72.5	45.7	52.5	53.0	52.0	15.6	16.0	13.0	13.8	14.5	13.0	—	—	—	—	—	—	—	—	—	—	—	—
Springfield, Mass.	57.0	60.7	53.2	61.1	65.2	56.9	19.9	22.6	15.4	24.7	25.5	23.9	—	67.5	—	73.4	—	49.2	—	—	—	52.6	—	—
Toledo, Ohio	48.3	53.6	42.9	52.4	55.0	45.5	20.2	24.3	15.2	18.5	20.0	15.6	57.9	58.2	57.7	58.9	62.2	55.1	42.2	45.8	38.7	41.6	45.7	37.6
Tulsa, Okla.	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Washington, D.C.	44.5	50.3	41.0	47.3	55.3	43.0	17.9	20.0	15.1	18.3	22.9	14.3	—	—	—	—	—	—	—	—	—	—	—	—
Worcester, Mass.	50.8	55.8	49.2	53.9	55.5	45.1	27.4	28.2	22.1	26.4	29.1	22.8	53.2	58.5	48.0	54.1	59.2	49.0	—	—	—	—	—	—
Youngstown, Ohio	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Ottawa, Ont.	51.9	56.0	37.3	51.4	53.9	37.4	19.7	30.8	18.8	17.7	30.9	14.1	—	—	—	—	—	—	—	—	—	—	—	—
Vancouver, B.C.	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Victoria, B.C.	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

DEPARTMENT STORE installment accounts receivable continued to show a small decline in March. At the month-end, however, these accounts were 22 per cent above the level of March 31, 1950. An increase in March collections on installment accounts was reflected in the higher collection ratio of 20 per cent, 3 points above that for February and 1 point above that for the preceding March. Continued repayment at the March rate would result in the liquidation of installment accounts receivable in about 9 months, the same average repayment period prevailing a year earlier. Charge accounts receivable declined further in March, in spite of an early Easter. The decline resulted from the fact that charge account collections continued to exceed charge

account sales, even though collections had declined and sales had increased from February levels. There was an increase in the collection ratio from 46 per cent in February to 61 per cent in March. The average repayment period for charge accounts outstanding in March was 59 days, somewhat above the level of the corresponding period a year ago. Installment sales increased by 11 per cent during March, compared with increases of 26 and 22 per cent for cash and charge account sales, respectively. Installment sales were but 1 per cent above the volume of the previous March, while cash sales were up 6 per cent and charge account sales 13 per cent.—Federal Reserve Board.

Credit and Collection Procedure

A Labor Saving Idea That Works

W. O. PERLICK, *Credit Sales Manager, Meachams, Fort Worth, Texas*

IN THE PAST we experienced considerable difficulty in obtaining the maximum performance out of our posting machines for several very obvious reasons. Principal of these reasons was an out-of-balance condition which reflected, not on the posters, as much as it did on our method of preparing predetermined totals for them to balance against. In addition, an abnormal length of time was wasted in bringing our ledgers back into balance at the end of each month. As a result, "necessity being the mother of invention," we devised the following plan to arrive at predetermined totals without the messy and inaccurate use of adding machine tapes on each individual batch of tickets as well as the consolidation of figures for our controls.

A spread sheet was utilized, each column headed up by the alphabetical split of the ledger into which these tickets are to go. The charge tickets, after the total amount of the day's transactions had been determined by the sales audit unit, are set up alphabetically by ledgers and then the use of a Comptometer determines the individual book totals which are entered on this columnar sheet and balanced across to arrive at the predetermined total submitted by the sales audit unit. This gives us a control figure by books as well as a day control of the charges, cash and returned goods credits. After these tickets are set up by days and by ledgers they are then consolidated into batches of four days and set up alphabetically by books and matched into the ledgers. When in matching these tickets an employee determines that a ticket has been misread, missorted or for any reason needs to be transferred to another ledger, the ticket is stamped FROM LEDGER ----- TO LEDGER ----- and the correct name is entered on a suspense control sheet. When the poster, in completing the cycle of postings in the ledger, determines that she is short or over she would immediately go to the suspense sheet to see if there is a transfer in or out of this ledger. The transfer ticket, after being matched and posted to the correct account, is then deducted from one book and added to another immediately alongside of the column of figures intended for that particular cycle and both books are then in balance.

The first objection to this particular procedure was, What happens if a charge ticket is lost? Should a charge ticket be short and not appear as a transfer, you will, under the circumstances, be able to determine in what ledger this particular transaction is missing. You will also be able to determine the day on which this particular transaction is missing. If, after a search through your

media, you fail to locate this particular ticket your only alternative then is to post a dummy charge to either an adjustment sheet at the front of this ledger or to suspense. Fortunately, in the three months we have conducted this experiment, this particular situation has failed to cause us any difficulty. If a cash ticket should be missing there are several ways that this particular payment can be located. First, a check of the machine copies of that day's work should reveal the missing ticket. Second, a check of your mail check listings for that day would reveal your customer's name and address and amount of payment.

Each objection to this particular program has been carefully examined and we have still to find where the process we are now employing fails to give profitable and prompt handling of our receivables. The columnar sheet used is the type that can be purchased in any office supply store. The key to the success of the operation lies in the listing of transfer tickets on the suspense sheet so that at any time you are in a position to tell at a glance whether or not any out-of-balance condition is directly caused by a transfer.

Post and Billing Machines

We are using two Elliott-Fisher posting and billing machines. Our active accounts total approximately 13,000 and our statements are all sent out the last day of the month. We close our books either on the 24th or 25th depending upon the week end and have found since we have employed this particular procedure that our books not only are posted in time to mail our statements promptly but our out-of-balance condition for the first three months has been less than \$10.00. Checking for errors has been reduced to a minimum by the use of an old balance pickup register on our posting machines. This eliminates the need for a tape listing of the old balances to which media have been posted.

This is being submitted with the thought in mind that some other organization of comparable size might possibly be experiencing the same difficulties we did and could very easily set up their posting controls patterned after this plan without much difficulty. An additional feature of this particular arrangement is the elimination of a daily posting to a master control ledger sheet. We now post a batch total of four days' tickets eliminating 25 per cent of the entries needed to arrive at a month-end control figure. Should this particular plan be of interest or more detailed information needed we will be happy to supply any additional information necessary. ★★★

In The NEWS



GIMBEL BROS., Philadelphia, Pa., has installed a cycle billing procedure. In order to put the new service in operation, they purchased 100 Remington Rand cyclomatic filing cases, National Cash bookkeeping machines as well as several units of photographic equipment.

CREDIT REPORTING is a science to which men of first-rate ability are devoting their lives, and it is worthy of the efforts which they devote to it, measured by the savings and advantages to organized society which it contributes.

BECAUSE A Pittsburgh's department store clerk waited on two 'Mrs. Joneses' at one time, one of them was arrested on a charge of false pretense. The real 'Mrs. Jones' who lost the plate several months ago, happened to be at the same counter.

AMERICAN FAMILIES had a median income of \$3,100.00 in 1949, the Census Bureau has reported. That was a decline of \$100.00 from 1948, the first decrease recorded in the postwar period, but \$500.00 above the wartime 1944 and 1945. In March, 1950, there were 8,000,000 families with incomes of \$5,000.00 or more, but more than 10,000,000 with incomes under \$2,000.00. Nearly 5,000,000 families had less than \$1,000.00 for the year or an average of less than \$20.00 a week.

IT WOULD TAKE \$1,865.00 from every citizen of the United States, young and old, to get our government out of the red. This would take care of the 281 billion dollar combined debt against Federal, state and local governments at the end of the last fiscal year.

BROWN UNIVERSITY says that every war necessitates a rise in tuition fees. Before the Revolution, tuition at Brown was \$12.00 a year. After the Revolution it was \$16.00. It was \$36.00 when the Civil War began and seven years later it was \$100.00. It was \$175.00 when World War I started and two years later it was \$250.00. When World War II began it was \$350.00. Today it is \$500.00.

FOR THE FIRST time in the United States census history, women outnumbered men in last spring's head count. The ratio is 1,000 women to 981 men. The number of children under ten years old increased 40 per cent between 1940 and 1950 while the number of persons over 65 increased 37 per cent. The report also said two out of every three Americans over 14 are married.

THE GOVERNMENT of the United States spends an estimated \$9,500,000 an hour or \$228,000,000 a day.

BECAUSE doctors are so busy they have little time for shopping. A New York clothing store will send a fitter to a doctor's home or office, show him samples, take measurements and return for a try-on. This extra service is free and for doctors only. Doctors like it. It saves time and sometimes they gain an ailing fitter as a patient.

THERE ARE \$89,000 \$1,000 bills in circulation. If you want to break one you must give your name and address to the bank teller.

THE FEDERAL RESERVE Board estimated that four out of 10 American families are worth at least \$5,000.00, and that one family in 10 has assets of \$25,000.00 or more. About half of all consumers were completely free of debt and but a few of these were in the higher groups.

THE BUSINESS MANAGEMENT Service, University of Illinois, Urbana, Ill., has just completed a booklet OFFICE WORK STANDARDS. It outlines the advantages and methods of establishing standards for office work through which better practices may be evolved and higher efficiency achieved. It is free of charge for the asking.

PERSONAL INCOME of Americans hit an annual rate of \$241,300 billion in March, 1951. Wage and salary payments showed a \$2 billion rise during March, the 13th month in a row in which such items rose. More than a third of the increase was accounted for by the increases in the government's civilian and military payroll. Farm income during March was at an annual rate of \$18.7 billion, off \$200 million from February but \$1.1 billion above the rate for 1950.

ONE OF THE SERIOUS profit leaks in merchandising arises when people are not home when C.O.D. goods or bulky furniture arrives. Delivery costs are doubled and warehousing costs increased. A number of New York stores now phone in advance to make sure purchases will be received. One group of stores reports that delivery failures were reduced from 37.8 per cent to 2.3 per cent by advance phoning. Phoning also permits correction of errors in addresses, goods and delivery dates.

SINCE THE AUTOMOBILE came into use in 1906, there have been 969,000 traffic deaths. This is 124,000 more than the total casualties suffered in all the United States Wars.

IF YOU EARN less than \$25,000.00, your chances are only eight in 100 that the government will give you income tax a thorough going-over this year. But every return will be checked for mathematical accuracy.

IT COSTS \$3,933.00 a year to live in Milwaukee, Wis., and about \$500.00 less to live in New Orleans, La. That, according to the Bureau of Labor Statistics, is the modest but adequate budget required for the average family of four. If you want specific information about your city, the Bureau of Labor Statistics can give it to you. Most employers in low-cost cities have found bargaining ammunition in the Bureau's figures, especially in dealing with a union that wants to equal what other unions have got.

Plan Now to Attend THE 37TH ANNUAL INTERNATIONAL CONSUMER CREDIT CONFERENCE

THE STEVENS HOTEL, CHICAGO, ILLINOIS, JUNE 25-28, 1951

National Retail Credit Association

Credit Women's Breakfast Clubs of North America • Associated Credit Bureaus of America

Buy a Brick, BREAK THE THERMOMETER!

CREDIT WORLD 31
JUNE 1951

Editorial COMMENT

★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★

Last Call

THE 37TH ANNUAL International Consumer Credit Conference is just a few days away. The complete program, with the exception of group meetings on Tuesday, Wednesday and Thursday afternoons, and the Open Forum on Monday afternoon, appeared in the May CREDIT WORLD.

Contacts with other credit executives will afford you an opportunity to discuss mutual problems with beneficial results. Discussions at the Open Forum and group meetings will develop many worth-while ideas along expense control, promotional and collection lines.

At the conference in Boston two years ago the credit executive of a large New York store who attended the Cycle Billing Forum one evening obtained an idea that enabled him to effect savings of more than \$800.00 annually in the operation of the Accounts Receivable Department.

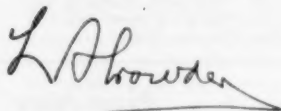
The display of forms and form letters and the exhibits of leading manufacturers of office equipment will, as in the past, prove of general interest.

You owe it to the firm you represent to discuss with management the program as outlined in the May CREDIT WORLD and to request that you be permitted to attend the conference. The expense and time away from your office will be trivial as compared to the benefits obtained.

Make your hotel reservation now and send registration to the Conference Committee of the Associated Retail Credit Men of Chicago. See page 17 May CREDIT WORLD for details.

Your attendance and active participation will pay dividends to you and your firm. You will find it an excellent investment.

Here's hoping you will be with us in Chicago, June 25-28, 1951!


General Manager-Treasurer

★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★

You Need This Book

Indispensable to retailers, financial institutions, doctors, lawyers,
and collection agencies. Saves time and worry! Just off the press.

THE SOLDIERS' AND SAILORS' CIVIL RELIEF ACT OF 1940, AS AMENDED

DO YOU KNOW THE ANSWERS TO THESE QUESTIONS?

- What action should a Merchant take to protect himself when credit is requested by a person classified 1A or 3A by his Draft Board?
- What kind of form should be used when there is a voluntary "give-up" of merchandise by a service man or his dependents?
- Can a service man waive the benefits of the Relief Act?
- When will a waiver made by a guarantor be valid under the Relief Act?
- When is it possible to repossess goods from the dependents of a service man without a court order?
- Can a service man's wife be evicted for nonpayment of rent?
- Why is it necessary to ascertain whether a person is in military service or not before bringing action against him through the courts?
- When is it necessary to file an affidavit as to the military service of the defendant?
- Can a service man secure a stay of proceedings in connection with a judgment entered against him prior to his induction?
- Can a service man succeed in having the carrying charges reduced to 6 per cent per annum during his military service in connection with an installment contract made prior to his induction?
- Does a storage company require a court order to enforce its lien against a service man's goods?
- Is the period of military service to be used in computing the time within which a debt will be outlawed?
- What relief does the Relief Act provide in connection with income taxes owing by a service man to the Government?
- How long will the Soldiers' and Sailors' Civil Relief Act remain in force?
- These and many other questions of vital interest to you are answered in this new booklet on the Soldiers' and Sailors' Civil Relief Act.

HOW MANY DO YOU KNOW?

• In addition to the entire text of the Relief Act of 1940 as amended, supplementary material is provided to enable credit granters to obtain a clear understanding of the Act. This information is presented under the following headings:

- (1) High lights of the Relief Act: Facts of interest to the credit granter.
- (2) Analysis of the Relief Act: Prepared by a prominent New York attorney and written in the language of the layman.
- (3) Questions and Answers on the Relief Act: Thirty-nine problems of everyday occurrence answered in a way which will assist you to secure a working knowledge of the Act. Necessary forms illustrated.

This new booklet, approved by N.R.C.A. counsel, is practical, easy to understand, and puts the information you want right at your finger tips. The Relief Act will not worry you if you have this booklet on your desk for ready reference.

Convenient pocket size, 5¼" x 7¾". Sixty-four pages of vital information in clear easy-to-read type. A book you cannot afford to be without. Get your copy now! Fill out coupon below and mail with check TODAY.

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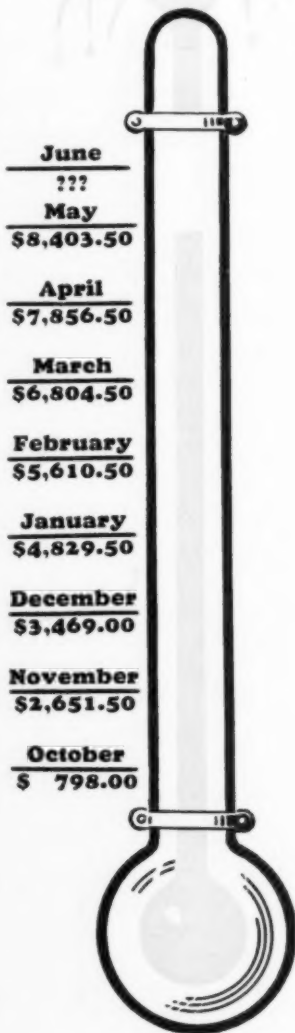
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copies of The Soldiers' and Sailors' Civil Relief Act (1940 and 1942
Statutes Consolidated) at 75¢ a copy postpaid (nonmembers, \$1.00).

Name

Address

City State

BREAK THE THERMOMETER



HERE IS a progress report of your "Buy-a-Brick" Campaign.

Shortly after our Open House on April 12, 1951, we placed a mortgage for \$26,000.00 on our new international headquarters. While your Board of Directors had authorized a mortgage to be placed not to exceed \$32,500.00, we were able not only to reduce the amount of the indebtedness but also to take care of some of the additional costs which were necessary to meet building restrictions and additional facilities not included in the original estimates.

Your contributions have made this fine showing possible and as these contributions continue to come in, we will have the opportunity to use that money as a reduction against the funded debt.

Again, I say with pride, you should visit 375 Jackson Avenue, St. Louis 5, Missouri. It is a compliment to the retail credit profession. In the meantime read the story of our new home in this issue of The CREDIT WORLD on pages 14 through 18.

May I also ask your continued support toward our aim to free this building from debt? Put the heat on now!

Lawrence J. Edelberger
President

National Retail Credit Association